As filed with the Securities and Exchange Commission on April 23, 2018

Registration No. 333-224174

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 1
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Construction Partners, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**1600**	**26-0758017**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
(334) 673-9763
(Address, including zip code and telephone number, including area code, of registrant's principal executive offices)

Charles E. Owens
Chief Executive Officer and President
Construction Partners, Inc.
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
(334) 673-9763
(Name, address, including zip code and telephone number, including area code, of agent for service)

Copies to:

Garrett A. DeVries	**Christopher D. Lueking**
Akin Gump Strauss Hauer & Feld LLP	**Latham & Watkins LLP**
1700 Pacific Avenue, Suite 4100	**330 North Wabash Avenue, Suite 2800**
Dallas, Texas 75201	**Chicago, Illinois 60611**
(214) 969-2800	**(312) 876-7700**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective.

If any securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price Per Share(2)**	**Proposed Maximum Aggregate Offering Price(1)(2)**	**Amount of Registration Fee(3)**
Class A Common Stock, par value $0.001 per share	12,937,500	$17.00	$219,937,500	$27,382.22

(1) Includes 1,687,500 shares that the underwriters have the option to purchase.
(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) of the Securities Act.
(3) The Registrant previously paid a registration fee of $25,771.50 in connection with the initial filing of this Registration Statement.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this preliminary prospectus is not complete and may be changed. Neither we nor the selling stockholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated April 23, 2018

PROSPECTUS

11,250,000 Shares

CONSTRUCTION PARTNERS, INC.
CLASS A COMMON STOCK

This is the initial public offering of Class A common stock of Construction Partners, Inc. We are offering 6,750,000 shares of our Class A common stock. The selling stockholders identified in this prospectus are offering 4,500,000 shares of our Class A common stock. We will not receive any of the proceeds from the sale of shares of our Class A common stock by the selling stockholders.

Prior to this offering, there has been no public market for our Class A common stock. We anticipate that the initial public offering price for our Class A common stock will be between $15.00 and $17.00 per share. We have applied to list our Class A common stock on The Nasdaq Global Select Market under the symbol "ROAD."

Investing in our Class A common stock involves substantial risk. See "Risk Factors" on page 18.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

We are an "emerging growth company" under the U.S. federal securities laws and will be subject to reduced public company reporting requirements.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds to us, before expenses	$	$
Proceeds to selling stockholders, before expenses	$	$

(1) We have agreed to reimburse the underwriters for certain expenses. See "Underwriting."

Delivery of the shares of our Class A common stock is expected to be made on or about , 2018.

The selling stockholders have granted the underwriters a 30-day option to purchase up to an additional 1,687,500 shares of our Class A common stock at the initial public offering price less underwriting discounts and commissions.

Upon the completion of this offering, we will have two classes of authorized common stock: our Class A common stock and our Class B common stock. The rights of holders of our Class A common stock and our Class B common stock will be identical, except with respect to voting rights, conversion rights and certain transfer restrictions applicable to our Class B common stock. Each share of our Class A common stock will be entitled to one vote. Each share of our Class B common stock will be entitled to ten votes and is convertible into one share of our Class A common stock automatically upon transfer, subject to certain exceptions. Upon the completion of this offering, the holders of our Class A common stock will hold approximately 2.9% of the total voting power of our outstanding common stock and approximately 23.2% of our total equity ownership (or 3.5% and 26.6%, respectively, if the underwriters' option to purchase additional shares is exercised in full), and the holders of our Class B common stock will hold approximately 97.1% of the total voting power of our outstanding common stock and approximately 76.8% of our total equity ownership (or 96.5% and 73.4%, respectively, if the underwriters' option to purchase additional shares is exercised in full). See "Description of Our Capital Stock—Common Stock."

Following the completion of this offering, we will be a "controlled company" within the meaning of the corporate governance rules of The Nasdaq Global Select Market. See "Management—Director Independence and Controlled Company Exemption."

Baird Raymond James Stephens Inc.

Imperial Capital D.A. Davidson & Co.

Prospectus dated , 2018

TABLE OF CONTENTS

	Page
Market and Industry Data	ii
Cautionary Statement Regarding Forward-Looking Statements	ii
Prospectus Summary	1
Risk Factors	18
Use of Proceeds	42
Dividend Policy	43
Capitalization	44
Dilution	46
Selected Historical Consolidated Financial Data	48
Management's Discussion and Analysis of Financial Condition and Results of Operations	51
Business	68
Management	84
Executive Compensation	92
Certain Relationships and Related Party Transactions	100
Principal and Selling Stockholders	104
Description of Our Capital Stock	108
Shares Eligible for Future Sale	118
Material U.S. Federal Income Tax Consequences for Non-U.S. Holders	121
Underwriting	125
Legal Matters	132
Experts	132
Change in Accountants	132
Where You Can Find More Information	133
Index to Consolidated Financial Statements and Supplementary Data	F-1

You should rely only on the information contained in this prospectus. Neither we, the selling stockholders nor the underwriters have authorized any other person to provide you with any information, or to make any representations, other than as contained in this prospectus, in any amendment or supplement hereto or in any free writing prospectus prepared by us or on our behalf and delivered or made available to you. Neither we, the selling stockholders nor the underwriters take responsibility for or provide assurance as to the reliability of any information or representations that others may give you. This prospectus is an offer to sell only the shares of our Class A common stock offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of the date hereof, and we undertake no obligation to update such information, except as may be required by law.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry, our market share and the markets that we serve is based on information from independent industry and research organizations, other third-party sources (including industry publications, surveys and forecasts) and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets that we believe to be reasonable. Although we believe the data from these third-party sources is reliable, we have not independently verified any such information. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by third-parties and by us.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties, such as statements related to future events, business strategy, future performance, future operations, backlog, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek," "anticipate," "plan," "continue," "estimate," "expect," "may," "will," "project," "predict," "potential," "targeting," "intend," "could," "might," "should," "believe" and similar expressions or their negative. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on management's belief, based on currently available information, as to the outcome and timing of future events. These statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed in such forward-looking statements. When evaluating forward-looking statements, you should consider the risk factors and other cautionary statements described in "Risk Factors." We believe the expectations reflected in the forward-looking statements contained in this prospectus are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking statements should not be unduly relied upon.

Important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements include, but are not limited to:

- declines in public infrastructure construction and reductions in government funding, including the funding by transportation authorities and other state and local agencies;
- risks related to our operating strategy;
- competition for projects in our local markets;
- risks associated with our capital-intensive business;
- government requirements and initiatives, including those related to funding for public or infrastructure construction, land usage and environmental, health and safety matters;
- unfavorable economic conditions and restrictive financing markets;
- our ability to successfully identify, manage and integrate acquisitions;
- our ability to obtain sufficient bonding capacity to undertake certain projects;
- our ability to accurately estimate the overall risks, requirements or costs when we bid on or negotiate contracts that are ultimately awarded to us;
- the cancellation of a significant number of contracts or our disqualification from bidding for new contracts;

- risks related to adverse weather conditions;
- our substantial indebtedness and the restrictions imposed on us by the terms thereof;
- our ability to maintain favorable relationships with third parties that supply us with equipment and essential supplies;
- our ability to retain key personnel and maintain satisfactory labor relations;
- property damage, results of litigation and other claims and insurance coverage issues;
- risks related to our information technology systems and infrastructure; and
- our ability to remediate the material weaknesses in internal control over financial reporting identified in preparing our financial statements included in this prospectus and to subsequently maintain effective internal control over financial reporting.

These factors are not necessarily all of the important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements. Other unknown or unpredictable factors could also cause actual results or events to differ materially from those expressed in the forward-looking statements. Our future results will depend upon various other risks and uncertainties, including those described in "Risk Factors." All forward-looking statements attributable to us are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date hereof. We undertake no obligation to update or revise any forward-looking statements after the date on which any such statement is made, whether as a result of new information, future events or otherwise.

PROSPECTUS SUMMARY

This summary highlights basic information about us and this offering contained elsewhere in this prospectus. Because it is a summary, it does not contain all the information you should consider before investing in our Class A common stock. You should read and carefully consider this entire prospectus before making an investment decision, especially the information in "Risk Factors," "Cautionary Statement Regarding Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the accompanying notes. Except as otherwise indicated or required by the context, all references in this prospectus to the "Company," "we," "us" or "our" refer to Construction Partners, Inc. and its consolidated subsidiaries. All references in this prospectus to the "selling stockholders" refer to those entities identified as selling stockholders in "Principal and Selling Stockholders."

Our Company

We are one of the fastest growing civil infrastructure companies in the United States specializing in the building and maintenance of transportation networks. Our operations leverage a highly skilled workforce, strategically located hot mix asphalt ("HMA") plants, substantial construction assets and select material deposits. We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports, and commercial and residential sites in the Southeastern United States. Led by industry veterans each with over 30 years of experience operating, acquiring and improving construction companies, we are well-positioned to continue to expand profitably in an industry with attractive growth prospects.

Since our inception in 2001, we have scaled into one of the largest operators in the Southeastern United States, growing from three to 27 HMA plants at March 31, 2018. We operate in a geographic area covering nearly 29,000 miles of highway infrastructure, and we produced 3.2 million tons of HMA in fiscal 2017 for use in more than 900 transportation or infrastructure projects. We maintain a high level of visibility on future infrastructure projects by analyzing the budgets and bidding patterns of state and local departments of transportation ("DOTs") in the markets that we serve. We are therefore able to reliably forecast our bidding opportunities and properly plan for future projects. Our contract backlog at December 31, 2017 was at a record level of $550.9 million, as compared to $369.8 million at December 31, 2016 and $549.9 million at September 30, 2017.

The Southeastern United States is one of the fastest growing regions with respect to population and job growth, which drives additional federal funding to the area. The five states in which we operate (Alabama, Florida, Georgia, North Carolina and South Carolina) have experienced a combined annual population growth of 1.4% from 2000 to 2016, as compared to 0.8% for the rest of the United States, and combined annual economic growth of 2.7% from 2013 to 2016, as compared to 2.1% for the rest of the United States. Additionally, each of these states has recently passed legislation to increase transportation funding.

We have strategically entered each of the markets that we serve to capitalize on substantial public and private infrastructure opportunities in the Southeastern United States. Publicly funded projects accounted for approximately 70% of our fiscal 2017 construction contract revenues. Our public customers include federal agencies, state DOTs and local municipalities. Total public spending on transportation infrastructure in the United States was approximately $279.0 billion in 2014, of which highways and local roads accounted for approximately $165.0 billion, or 59%. We believe transportation infrastructure spending will increase as federal, state and local governments allocate funding to their aging transportation network infrastructures. At the federal level, the Fixing America's Surface Transportation Act of 2015 (the "FAST Act") earmarked $305.0 billion for transportation

infrastructure spending through 2020. The FAST Act builds upon the Moving Ahead for Progress in the 21st Century Act (the "MAP-21 Act"), which was passed in 2012 and provided $105.0 billion of similar funding. Moreover, in February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels.

Privately funded projects accounted for approximately 30% of our fiscal 2017 construction contract revenues. We provide a wide range of large sitework construction and HMA paving services to private construction customers, including commercial and residential developers and local businesses. We compete for private construction projects primarily on the basis of the breadth of our service capabilities and our reputation for quality. Private projects also drive demand for external sales of our HMA and aggregates to smaller contractors that do not own HMA or aggregate facilities. We believe we are well-positioned to capitalize on the strong momentum in commercial and residential private construction sectors driven by population and economic expansion in the Southeastern United States.

Supported by our local market presence and knowledge, as well as scale advantages attributable to our vertical integration, geographic reach and strong financial profile, we believe we are a market leader in each of the markets that we serve. For all but the very largest projects, we compete primarily against local firms that have existing asphalt plants and paving operations relatively close to the project site. For most projects, HMA is a critical input that cannot be efficiently transported beyond a relatively short distance. By virtue of this locally driven competitive dynamic, competition in our industry is characterized by relative market share, which we define as the percentage of jobs we win in a local market compared to the jobs we bid in a local market.

Our Competitive Strengths

Leading Market Positions in Strategic Geographic Footprint. Our local market presence and knowledge contributes to our leading position in each of the markets we serve. Our 27 HMA plants are strategically located across Alabama, Florida, Georgia and North Carolina and are near interstate highways with dense road systems. In addition to the four states in which our HMA plants are located, we provide specialty paving services in South Carolina. We believe the Southeastern United States will continue to experience above-average population and economic growth and these factors will lead to additional demand for the transportation infrastructure services we provide. Moreover, this region's temperate climate allows us to work during the majority of the year, thereby enabling us to mitigate the fixed cost of weather-idled facilities and maintain a year-round workforce.

Scale Advantages. We believe our HMA plants, equipment fleet, experienced personnel and bonding capacity provide us with scale advantages over our competitors, which are primarily small- and medium-sized businesses and are often family owned and operated. In addition, our ability to internally source HMA provides project execution and bidding advantages over some of our competitors. Our flexible crews and diverse fleet of equipment are deployed across a wide geographic footprint to perform projects of varying size and scope, which helps us maintain high asset utilization and lower fixed unit costs. Our scale also allows us to fully utilize reclaimed asphalt pavement, which lowers our HMA production costs, and allows us to receive better terms in capital asset purchases with our equipment providers. Most of the projects for which we compete require surety performance bonds as a bidding condition. Many of our competitors are limited in the projects for which they can bid because of such bidding and bonding constraints. Our track record of successful project execution and profitability, coupled with a strong balance sheet, provide us with ample bidding and bonding capacity, allowing us to bid on a large number of projects simultaneously. As such, we have never been prevented from bidding a project due to bidding and bonding requirements. The scale advantages from our leading relative market position support our growth strategy.

Customer and Revenue Diversification. We perform both new construction and maintenance infrastructure services over a wide geographic footprint for both public and private clients. Our largest customers are state DOTs. For the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. Our 25 largest projects accounted for 22.4% of our fiscal 2017 revenues. While we have the capabilities required to undertake large infrastructure projects, a core principle of our strategy is to perform many smaller projects with varied complexity and short durations. In fiscal 2017, our average project size was $1.7 million and our projects had an average duration of approximately eight months. We believe this strategy, coupled with our disciplined bidding process, yields revenue diversification and enables us to better manage our business through market cycles.

Consistent History of Managing Construction Projects and Contract Risk. Our long and successful track record in each of the markets that we serve demonstrates an understanding of the various risks associated with transportation infrastructure projects. We serve as prime contractor on approximately 70% of our projects and as a subcontractor on the remaining 30%. When serving as prime contractor, we utilize subcontractors to perform approximately 30% of the total project. The vast majority of our projects are fixed unit price contracts, pursuant to which a portion of our revenues is tied to the volume of various project components. We combine our experience, local market knowledge and fully integrated management information systems to effectively bid, execute and manage projects. We capture project costs such as labor and equipment expenses on a daily basis. Our managers review daily project reports to determine whether actual project costs are tracking to budget.

Successful Record of Executing and Integrating Acquisitions. Among our core competencies is successfully identifying, executing and integrating acquisitions. Since 2001, we have completed 15 acquisitions, which have enabled us to expand our end-markets, service offerings and geographic reach. We derive acquisition synergies by expanding the pool of project opportunities of our acquired companies by enhancing their service offerings and bidding capacities. Our acquisition philosophy involves retaining the local management team of the acquired business, maintaining operational decisions at the local level and providing strategic insights and leadership through our senior management team. Acquisition integration primarily involves the implementation of our standardized bidding and management information systems across the functional areas of accounting and operations. These information systems provide acquired companies with the necessary tools to capture and analyze cost and to improve operating results.

Common Processes and Technology Systems. We employ a common set of operational processes and utilize sophisticated technology systems to track all of our operations. These practices and systems are important competitive advantages in several areas of our business. Our uniform estimating and job cost systems, developed for our business and improved internally, offer a critical advantage not only in the procurement of work, but also the procurement of profitable work, by providing an accurate measure of our cost for individual items in a bid. In contrast, we believe many of our competitors have not invested equivalent resources to develop systems with the same level of detail, which can make them less competitive in the bidding process and/or less profitable. We also track and analyze our competitors' historical bids and bidding tendencies, which provides us with a critical bidding advantage. Since all of our project teams utilize the same processes and are trained to the same standards, our management tools allow us to optimize personnel and equipment usage across our project portfolio during project execution, improving asset utilization and providing significant cost savings.

Experienced Management Team and Supportive Sponsor. Our executive officers are seasoned leaders with complementary skill sets and a track record of financial success spanning over 30 years and multiple business

cycles. As former executives of the North American arm of an international construction company, our Chief Executive Officer and our Chief Financial Officer built a civil infrastructure company which operated over 50 HMA plants in five states before its sale in 1999. Collectively, they have successfully completed approximately 50 acquisitions in the civil infrastructure sector over the course of their careers. Our five Senior Vice Presidents possess over 150 years of combined management experience with both publicly and privately held civil infrastructure companies operating in the Southeastern United States. In addition, following this offering, funds managed by SunTx Capital Management Corp. and its affiliates ("SunTx") will continue to own a significant economic interest in our Company. After giving effect to this offering and the Reclassification (as defined herein), SunTx will own 33,175,696 shares of our Class B common stock and 86.3% of the voting power of our outstanding common stock. The Executive Chairman of our board of directors Ned N. Fleming, III, played a key role in our founding, and we believe that we will continue to benefit from his ongoing involvement following the completion of this offering. Furthermore, we believe that our dual-class capital structure will contribute to the stability and continuity of our board of directors and senior management, allowing them to focus on creating long-term stockholder value.

Our Growth Strategy

Capitalize on Increased State and Federal Spending on U.S. Transportation Infrastructure . There is currently an $836.0 billion backlog of projects to repair deteriorating bridges and highways in the United States. According to the American Society of Civil Engineers, the roads in each of the states in which we operate received infrastructure report cards with a grade of "B-" or "C." We expect the poor condition of the roads in the markets that we serve to provide consistent opportunities for growth. Funding for projects in these markets will come from a variety of sources. In addition to the FAST Act and other legislative proposals, each state in which we operate maintains a transportation infrastructure fund supported primarily by fuel taxes. Whether by state constitution or statute, these funds are generally protected and required to be used for transportation infrastructure purposes. We are well-positioned to take advantage of increased infrastructure spending due to our broad footprint of existing HMA production facilities designed with significant excess capacity across the Southeastern United States.

Organically Expand Our Geographic Footprint. We believe the economic climate of the Southeastern United States is more favorable than other parts of the country with commensurate population growth trends, which will lead to significant future federal, state and local infrastructure spending. We have the financial and organizational resources to add additional workforce and equipment, and we are highly experienced in developing new plant sites to expand into adjacent markets. In addition, we maintain strategic partnerships with subcontractors affording additional scalability in labor and equipment. Our financial profile and track record also facilitate significant growth in bonding capacity—a challenge that may prove difficult for smaller, privately held competitors. We continually evaluate opportunities to expand organically in the Southeastern United States.

Consistent Pursuit of Acquisitions. Over the last 16 years, our consistent organic growth has been augmented by the successful acquisition and integration of 15 complementary construction businesses, establishing us as a leading industry consolidator. Our management team has acquired businesses in a variety of economic cycles, with the number of opportunities generally increasing in cyclical downturns. Our senior management team has successfully completed approximately 50 acquisitions over the course of their careers. Our management team's experience, industry expertise, integrity and strong relationships with industry players allow us to be considered a "buyer-of-choice" with targeted, high-quality prospective targets, most of which are family owned and operated. These advantages, together with the proceeds of this offering and the opportunity to use our equity as a component of acquisition consideration, should further enhance our acquisition prospects. We maintain an acquisition pipeline with a growing number of opportunities to expand our geographic footprint. While most

opportunities in our pipeline consist of add-on acquisitions in the Southeastern United States, we also continuously evaluate platform investments that would allow expansion into states in the Southeastern United States.

Consistent with this strategy, on September 22, 2017, we acquired the ongoing sand and gravel mining operations located in Etowah, Elmore and Autauga counties in Alabama for approximately $10.8 million. This acquisition increased our aggregate reserves and will allow us to further capitalize on vertical integration opportunities. We continue to execute this strategy through the proposed acquisition described below under "Recent Developments."

Continue to Capitalize on Vertical Integration Opportunities. We consume approximately 80% of the HMA we produce and approximately 35% of the aggregates used in the production of HMA are internally sourced. In certain markets, we also mine aggregates, such as sand and gravel, used as raw materials in the production of HMA, which lowers our input costs. We believe there are additional vertical integration opportunities to enhance operational efficiency and allow us to capture additional margin throughout the value chain, including the acquisition or development of additional aggregate sites and liquid asphalt terminals.

Enhance Profitability Through Operational Improvements. We complement sophisticated business practices across our platform with fully integrated management information systems to drive operational efficiencies. With strategic oversight by our management team, operating income margins increased 310 basis points from fiscal 2015 to fiscal 2017. These margin improvements have been accomplished through profit optimization plans and leveraging information technology and financial systems to improve project execution and control costs. Moreover, we improve margins on acquired businesses as we standardize business practices across functional areas, including, but not limited to, estimation, project management, finance, information technology, risk management, purchasing and fleet management.

Strengthen and Support Human Capital. We have an experienced and skilled workforce of over 1,800 employees, which we believe is our most valuable asset. Attracting, training and retaining key personnel have been and will remain critical to our success. We will continue to focus on providing our personnel with training, personal and professional growth opportunities, performance-based incentives, stock ownership opportunities and other competitive benefits in order to strengthen and support our human capital base.

Our Industry

We operate in the large and growing highway and road construction industry, which generated approximately $165.0 billion of revenues in 2014. Federal, state and local DOT budgets drive industry performance, with the public sector generating 95% of total industry revenues in 2016. In 2015, the FAST Act was passed, providing visibility and certainty of funding and planning for state DOTs. The FAST Act earmarked $305.0 billion for transportation infrastructure spending through 2020, with highway and transit projects accounting for $205.0 billion and $48.0 billion, respectively. In February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels. This plan could also drive an increase in spending on the significant backlog of national and local transportation infrastructure needs. The non-discretionary nature of highway and road construction services and materials supports highly stable and consistent industry growth.

Additionally, there are strong industry tailwinds in each of the five states in which we operate. The Alabama Transportation Rehabilitation and Improvement Program and Rural Assistance Match Program, created in 2012 and 2013, respectively, are initiatives aimed at investing $1.2 billion and $25.0 million, respectively, on the state's transportation infrastructure. The Florida Department of Transportation received $10.8 billion of funding for the

2017 fiscal year, with $4.1 billion specifically allocated for highway construction projects. In 2015, Georgia passed House Bill 170, replacing 34 short-term funding programs and providing $1.0 billion per year for transportation needs with a focus on the state's backlog of maintenance projects. In 2017, the North Carolina State Transportation Improvement Program increased the state's plan from a $320.0 million two-year program to a ten-year program estimated at $1.6 billion in additional transportation revenue. Finally, in 2016, South Carolina passed Act 275, which provides $4.2 billion in transportation infrastructure funding over the next ten years, an increase of $150.0 million per year over prior funding levels, with $2.0 billion directed toward widening and improving existing interstates and $1.4 billion directed toward pavement resurfacing.

Within the highway and road construction industry, we operate in the asphalt paving materials and services segment. Asphalt paving mix is the most common roadway material used today, covering 94% of the more than 2.7 million miles of paved U.S. roadways. We believe asphalt will continue to be the pavement of choice for roads due to its cost effectiveness, durability and reusability, as well as minimized traffic disruption during paving, as compared to concrete.

Competition is constrained in our industry because participants are limited by the distance that materials can be efficiently transported, resulting in a fragmented market of over 13,300 businesses, many of which are local or regional operators. Participants in these markets range from small, privately-held companies focused on a single material, product or market to multinational corporations that offer a wide array of construction materials, products and paving and related services. In each market, our primary competitors are primarily local businesses, with an occasional large, national corporation providing competition.

Recent Developments

Proposed Acquisition

In December 2017, we entered into a non-binding letter of intent, and are currently engaged in discussions, on a proposed acquisition of the ongoing operations of a civil infrastructure company, with three HMA plants and sand mining and processing operations in the Southeastern United States. The proposed acquisition is consistent with our strategy to pursue add-on acquisitions in the Southeastern United States to grow our business. In addition, the proposed acquisition would increase our aggregate reserves and allow us to further capitalize on vertical integration opportunities.

The proposed purchase price is $50.0 million, subject to certain adjustments, which would be payable in cash at closing net of certain assumed liabilities. We expect to use a portion of the net proceeds from this offering and additional borrowings under the Term Loan to fund the acquisition. We do not expect this acquisition to be significant under Rules 3-05 and 1-02(w) of Regulation S-X.

Our completion of the proposed acquisition is subject to numerous conditions and contingencies, including the completion to our satisfaction of our due diligence, the negotiation and execution of definitive agreements, and the satisfaction of closing conditions. There cannot be any assurance that: (1) we will complete the proposed acquisition or provide a date by which the transaction will close; (2) the terms of the transaction will not differ, possibly materially, from those described here; or (3) if we complete the acquisition, we will be able to successfully integrate the acquired operations into our business or the acquired operations will result in increased revenue, profitability or cash flow.

Settlement Agreements

On April 19, 2018, certain of the Company's subsidiaries entered into settlement agreements with a third party, pursuant to which they will receive aggregate net payments of approximately $15.7 million, payable in four equal installments between January 2019 and July 2020, in exchange for releasing and waiving all current and future claims against the third party relating to a specific event (the "Settlement"). See "Note 19—Subsequent Events" to our audited financial statements for the year ended September 30, 2017 included in this prospectus.

Preliminary Estimated Unaudited Financial Results for the Three Months ended March 31, 2018

Our financial results for the three months ended March 31, 2018 are not yet complete. The forward-looking information presented below reflects our unaudited preliminary estimated results based solely on information available to us as of the date of this prospectus. We have provided ranges for certain items rather than specific amounts since our financial closing procedures are not complete for the three months ended March 31, 2018. Actual results are not expected to be publicly available until we file our consolidated financial statements and related notes for the three months ended March 31, 2018 with the Securities and Exchange Commission ("SEC") subsequent to the completion of this offering. Actual results may vary materially from the estimated preliminary results presented below which are still subject to adjustments resulting from additional financial close and review procedures to be performed by our management and audit committee. The preliminary estimates do not present a comprehensive statement of our consolidated results for the three months ended March 31, 2018 and should not be used as a substitute for interim financial statements prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). You should not place undue reliance on these estimates. This preliminary estimated information has been prepared by and is the responsibility of our management. Our independent registered public accounting firm, RSM US LLP has not audited, reviewed, compiled or performed any procedures with respect to the preliminary estimated financial results and therefore does not express an opinion or any other form of assurance with respect to these preliminary estimates. See "Cautionary Statement Regarding Forward-Looking Statements", "Risk Factors" and "Management Discussion of Financial Condition and Results of Operations" presented elsewhere in this prospectus for additional information.

We expect to report total revenues within the range of $118.2 million and $119.2 million for the three months ended March 31, 2018 compared to $110.4 million for the three months ended March 31, 2017. We expect to report net income within the range of $11.0 million and $11.4 million for the three months ended March 31, 2018 compared to $2.8 million for the three months ended March 31, 2017. Net income for the three months ended March 31, 2018 includes a $10.6 million after-tax impact of the Settlement described above.

We expect to report Adjusted EBITDA within the range of $22.5 million and $23.0 million for the three months ended March 31, 2018 compared to $11.2 million for the three months ended March 31, 2017. Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense, loss on extinguishment of debt and certain management fees and expenses. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin because management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for the three months ended March 31, 2017, as well as a reconciliation of our preliminary estimated net income range to our preliminary estimated Adjusted EBITDA range and the corresponding calculations of Adjusted EBITDA margin for the three months ended March 31, 2018.

	For the Three Months Ended March 31, 2018		For the Three Months Ended March 31, 2017
	Low	High	
(in thousands)	(unaudited)	(unaudited)	(unaudited)
Net income	$ 10,953	$ 11,353	$ 2,800
Interest expense, net	439	439	1,096
Provision (benefit) for income taxes	4,633	4,753	1,578
Depreciation, depletion and amortization of long-lived assets	5,634	5,634	5,279
Equity-based compensation expense	488	488	74
Loss on extinguishment of debt	—	—	—
Management fees and expenses(1)	311	311	373
Adjusted EBITDA	$ 22,458	$ 22,978	$ 11,200
Revenues	$118,199	$119,199	$110,366
Adjusted EBITDA Margin	19.0%	19.3%	9.8%

(1) Reflects fees and reimbursement of certain travel expenses under a management services agreement with SunTx.

Risk Factors

An investment in our Class A common stock involves a number of risks. You should carefully read and consider all of the information contained in this prospectus (including in “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the notes thereto) before making an investment decision. These risks could adversely affect our business, financial condition and results of operations, and cause the trading price of our Class A common stock to decline. You could lose part or all of your investment. In reviewing this prospectus, you should bear in mind that past results are no guarantee of future performance. See “Cautionary Statement Regarding Forward-Looking Statements” for a discussion of forward-looking statements, and the significance of forward-looking statements in the context of this prospectus.

These risks include, but are not limited to:

- declines in public infrastructure construction and reductions in government funding, including the funding by transportation authorities and other state and local agencies;
- risks related to our operating strategy;
- competition for projects in our local markets;
- risks associated with our capital-intensive business;
- government requirements and initiatives, including those related to funding for public or infrastructure construction, land usage and environmental, health and safety matters;
- unfavorable economic conditions and restrictive financing markets;
- our ability to successfully identify, manage and integrate acquisitions;

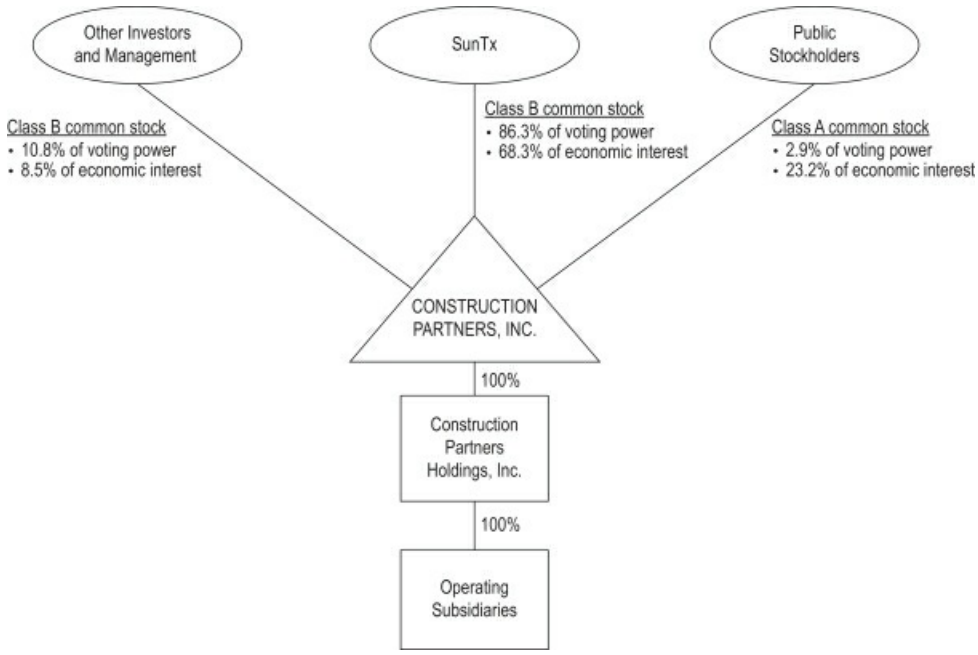
- our ability to obtain sufficient bonding capacity to undertake certain projects;
- our ability to accurately estimate the overall risks, requirements or costs when we bid on or negotiate contracts that are ultimately awarded to us;
- the cancellation of a significant number of contracts or our disqualification from bidding for new contracts;
- risks related to adverse weather conditions;
- our substantial indebtedness and the restrictions imposed on us by the terms thereof;
- our ability to maintain favorable relationships with third parties that supply us with equipment and essential supplies;
- our ability to retain key personnel and maintain satisfactory labor relations;
- property damage, results of litigation and other claims and insurance coverage issues;
- risks related to our information technology systems and infrastructure; and
- our ability to remediate the material weaknesses in internal control over financial reporting identified in preparing our financial statements included in this prospectus and to subsequently maintain effective internal control over financial reporting.

Our Sponsor

SunTx, founded in 2001, is a Dallas-based private equity firm that invests in growth-oriented middle-market manufacturing, distribution and service companies. At March 31, 2017, SunTx had approximately $1.2 billion assets under management.

Corporate History

Construction Partners, Inc. is a holding company that was incorporated as a Delaware corporation in 2007. We operate and control our business and affairs through our wholly owned subsidiaries: Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., Everett Dykes Grassing Co., Inc. and C.W. Roberts Contracting, Inc. Prior to the pricing of this offering, we will amend and restate our certificate of incorporation to effectuate a dual class common stock structure consisting of our Class A common stock and our Class B common stock, as a result of which each share of our common stock, par value $0.001 per share, prior to the pricing of this offering will, automatically and without any action on the part of the holders thereof, be reclassified and changed into 25.2 shares of our Class B Common Stock so that all of our equity holders prior to the completion of this offering will become the holders of our Class B common stock. We refer to this as the "Reclassification." See "Description of Our Capital Stock." The diagram below depicts our organizational structure and ownership immediately following the completion of this offering.



Implications of Being an Emerging Growth Company

As a company with less than $1.07 billion in annual gross revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). An emerging growth company may take advantage of specified reduced reporting requirements that are otherwise applicable generally to public companies. These provisions include:

- an option to present only two years of audited financial statements and related management's discussion and analysis in the registration statement of which this prospectus is a part;

- an exemption from compliance with the requirement for auditor attestation of the effectiveness of our internal control over financial reporting for so long as we qualify as an emerging growth company;
- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- an exemption from the adoption of new or revised financial accounting standards until they would apply to private companies;
- reduced disclosure about our executive compensation arrangements; and
- an exemption from the requirements to obtain anon-binding advisory vote on executive compensation or a stockholder approval of any golden parachute arrangements.

We will remain an emerging growth company until the earliest to occur of: the last day of the year in which we have $1.07 billion or more in annual gross revenue; the date we qualify as a "large accelerated filer" with at least $700.0 million of equity securities held by non-affiliates as of the last day of our most recently completed second quarter; the issuance, in any three-year period, by us of more than $1.0 billion in non-convertible debt securities; and the last day of the year ending after the fifth anniversary of this offering. We may choose to take advantage of some, but not all, of the available benefits under the JOBS Act. We are choosing to irrevocably "opt out" of the extended transition periods available under the JOBS Act for complying with new or revised accounting standards, but we intend to take advantage of certain of the other exemptions discussed above. Accordingly, the information contained herein may be different from the information you receive from other public companies. See "Risk Factors—Risks Related to this Offering and Ownership of Our Class A Common Stock." We cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

Corporate Offices and Internet Address

Our principal operating offices are located at 290 Healthwest Drive, Suite 2, Dothan, Alabama 36303, and our phone number is (334) 673-9763. Our website address is *www.constructionpartners.net*. Information contained on our website is not incorporated by reference in, and does not constitute a part of, this prospectus.

The Offering	
Class A common stock offered by us	6,750,000 shares
Class A common stock offered by the selling stockholders	4,500,000 shares (or 6,187,500 shares if the underwriters' option to purchase additional shares is exercised in full)
Class A common stock to be outstanding upon the completion of this offering	11,250,000 shares (or 12,937,500 shares if the underwriters' option to purchase additional shares is exercised in full)
Class B common stock to be outstanding upon the completion of this offering	37,317,537 shares (or 35,630,037 shares if the underwriters' option to purchase additional shares is exercised in full)
Class A and Class B common stock to be outstanding upon the completion of this offering	48,567,537 shares (or 48,567,537 shares if the underwriters' option to purchase additional shares is exercised in full)
Option to purchase additional shares	The selling stockholders have granted to the underwriters a 30-day option to purchase up to 1,687,500 additional shares of our Class A common stock at the initial public offering price less the underwriting discount and commissions.
Use of proceeds	We estimate that our net proceeds from this offering, after deducting estimated underwriting discounts and approximately $5.8 million of estimated offering expenses payable by us, will be approximately $94.7 million, assuming an initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus). We will not receive any proceeds from the sale of shares by the selling stockholders. We intend to use these net proceeds to provide growth capital, to fund acquisitions and for general corporate purposes, which may include the repayment of debt from time to time. See "Use of Proceeds."
Dual class common stock	Upon the completion of this offering, the rights of the holders of our Class A common stock and our Class B common stock will be identical, except with respect to voting rights, conversion rights and certain transfer restrictions applicable to our Class B common stock. See "Description of Our Capital Stock —Common Stock." Upon the completion of this offering, the holders of our Class A common stock will be entitled to one vote per share and the holders of our Class B common stock will be entitled to ten votes per share. The holders of our Class A common stock and our Class B common stock

	will vote together as a single class on all matters unless otherwise required by law. See "Description of Our Capital Stock—Common Stock—Voting Rights." Each share of our Class B common stock may be converted into one share of our Class A common stock at the option of the holder. In addition, each share of our Class B common stock will automatically convert into one share of our Class A common stock upon any transfer, with certain exceptions. See "Description of Our Capital Stock—Common Stock—Conversion and Restrictions on Transfer." Upon the completion of this offering, the holders of our Class A common stock will hold approximately 2.9% of the total voting power of our outstanding common stock and approximately 23.2% of our total equity ownership (or 3.5% and 26.6%, respectively, if the underwriters' option to purchase additional shares is exercised in full), and the holders of our Class B common stock will hold approximately 97.1% of the total voting power of our outstanding common stock and approximately 76.8% of our total equity ownership (or 96.5% and 73.4%, respectively, if the underwriters' option to purchase additional shares is exercised in full).
Dividend policy	We anticipate that we will retain all future earnings, if any, to finance the growth and development of our business. We do not intend to pay cash dividends in the foreseeable future. See "Dividend Policy."
Listing symbol	We have applied to list our Class A common stock on The Nasdaq Global Select Market under the symbol "ROAD."
Directed Share Program	At our request, the underwriters have reserved up to 562,000 shares of our Class A common stock, or approximately 5.0% of the shares being offered by this prospectus, for sale at the initial public offering price to our directors, officers, certain employees and other parties with a connection to the Company. Any reserved shares not purchased will be offered by the underwriters to the general public on the same terms as the other shares. See "Underwriting."
Risk factors	You should carefully read and consider the information in "Risk Factors" on page 18 of this prospectus for a discussion of factors to carefully consider before investing in our Class A common stock.

Unless the context otherwise requires, the information in this prospectus:

- assumes that the shares of our Class A common stock to be sold in this offering are sold at $16.00 per share (the midpoint of the range set forth on the cover of this prospectus);
- assumes that all shares of our Class A common stock offered hereby are sold;

- assumes no exercise by the underwriters of their option to purchase additional shares;
- assumes the filing and effectiveness of our amended and restated certificate of incorporation to effect the Reclassification and the adoption of our amended and restated bylaws, each of which will occur prior to the pricing of this offering;
- assumes no exercise of outstanding options;
- assumes the Company sells 60% and the selling stockholders sell 40% of the Class A common stock in this offering; and
- excludes shares of our Class A common stock reserved for issuance under the 2018 Equity Incentive Plan.

The number of shares sold by the selling stockholders in this offering may be decreased, and the number of shares sold by the Company may be increased share-for-share, if the price per share is less than the assumed initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus) or if the number of shares of our Class A common stock sold in this offering is less than 11,250,000. At an assumed initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus) and an assumed offering size of 11,250,000 shares of our Class A common stock, the Company will sell 60% of the shares in this offering and the selling stockholders will sell 40% of the shares in this offering. Assuming an offering size of 11,250,000 shares, each 10% increase in the percentage of shares sold by the Company in this offering would:

- decrease the percentage of shares sold by the selling stockholders by 10%;
- increase the number of outstanding shares of our Class A common stock and Class B common stock by 1,125,000 each;
- decrease the percentage of total equity ownership by holders of our Class A common stock by approximately 0.5%;
- increase the percentage of total equity ownership by holders of our Class B common stock by approximately 0.5%;
- decrease the percentage of total voting power by holders of our Class A common stock by approximately 0.1%;
- increase the percentage of total voting power by holders of our Class B common stock by approximately 0.1%; and
- decreases the dilution to purchasers in this offering by approximately $0.20 to $0.23 per share, depending on the offering price.

Summary Historical Consolidated Financial Data

The following tables present our summary historical consolidated financial data for the periods and at the dates indicated. The statement of income data and statement of cash flows data for the fiscal years ended September 30, 2016 and September 30, 2017 and the balance sheet data at September 30, 2016 and September 30, 2017 are derived from our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. The statement of income data and statement of cash flows data for the three months ended December 31, 2016 and December 31, 2017 and the balance sheet data at December 31, 2017 are derived from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared our unaudited consolidated financial statements on the same basis as our audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to present fairly the financial information set forth in those statements. The results for any interim period are not necessarily indicative of the results that may be expected for the full year and our historical unaudited results are not necessarily indicative of the results that should be expected in any future period.

The data presented below should be read in conjunction with, and are qualified in their entirety by reference to, "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Statement of Income Data:				
Revenues	$ 122,120	$ 150,421	$ 542,347	$ 568,212
Cost of revenues	103,391	127,623	467,464	477,241
Gross profit	18,729	22,798	74,883	90,971
General and administrative expenses	(10,563)	(12,426)	(40,428)	(47,867)
Gain on sale of equipment, net	254	145	2,997	3,481
Operating income	8,420	10,517	37,452	46,585
Interest expense, net	(1,047)	(297)	(4,662)	(3,960)
Loss on extinguishment of debt	—	—	—	(1,638)
Other expense	(26)	(21)	(227)	(205)
Income before provision (benefit) for income taxes	7,347	10,199	32,563	40,782
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:				
Basic and diluted	$ 0.11	$ 0.26	$ 0.51	$ 0.63
Weighted average number of common shares outstanding:				
Basic and diluted	41,502,490	41,691,541	43,009,120	41,550,293

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Other Financial Data:				
Adjusted EBITDA(1)	$ 14,009	$ 16,511	$ 60,283	$ 69,274
Revenues	122,120	150,421	542,347	568,212
Adjusted EBITDA Margin(1)	11.5%	11.0%	11.1%	12.2%
Statement of Cash Flows Data:				
Net cash provided by operating activities	$ 18,767	$ 19,490	$ 51,694	$ 46,927
Net cash used in investing activities	$ (7,278)	$ (9,318)	$ (19,005)	$ (30,686)
Net cash used in financing activities	$ (2,810)	$ (7,500)	$ (20,881)	$ (39,779)

	September 30,		December 31,
	2016	2017	2017
(in thousands)			
Balance Sheet Data:			
Cash	$ 51,085	$ 27,547	$ 30,219
Total assets	318,282	328,550	315,925
Current and non-current portions of debt, net of deferred debt issuance costs	60,962	57,136	49,655
Total equity	156,283	152,181	163,177

(1) Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense, loss on extinguishment of debt and certain management fees and expenses. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, generally accepted accounting principles in the United States ("GAAP"). These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin because management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly named measures reported by other companies. Potential differences between our measure of Adjusted EBITDA compared to other similar companies' measures of Adjusted EBITDA may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for each of the periods presented.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)	(unaudited)	(unaudited)		
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Interest expense, net	1,047	297	4,662	3,960
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Depreciation, depletion and amortization of long-lived assets	5,222	5,675	21,530	21,072
Equity-based compensation expense	82	—	217	513
Loss on extinguishment of debt	—	—	—	1,638
Management fees and expenses(1)	311	340	1,311	1,309
Adjusted EBITDA	$ 14,009	$ 16,511	$ 60,283	$ 69,274
Revenues	$122,120	$150,421	$542,347	$568,212
Adjusted EBITDA Margin	11.5%	11.0%	11.1%	12.2%

(1) Reflects fees and reimbursement of certain travel expenses under a management services agreement with SunTx.

RISK FACTORS

An investment in our Class A common stock involves a high degree of risk. You should carefully read and consider the following risks, as well as all of the other information contained in this prospectus, before making an investment decision. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. As a result, the trading price of our Class A common stock could decline, and you could lose all or part of your investment. The risks described below are not the only ones facing us. Additional risks not presently known to us or that we currently consider immaterial also may adversely affect us.

Risks Related to our Business

A significant slowdown or decline in economic conditions, particularly in the Southeastern United States, could adversely impact our results of operations.

We currently operate in Alabama, Florida, Georgia, North Carolina and South Carolina. A significant slowdown or decline in economic conditions or uncertainty regarding the economic outlook in the United States generally, or in any of these states particularly, could result in reduced demand for infrastructure projects, which could materially adversely affect our financial condition, results of operations and liquidity. Demand for infrastructure projects depends on the overall condition of the U.S. and local economies, the need for new or replacement infrastructure, the priorities placed on various projects funded by governmental entities and federal, state and local government spending levels. In particular, low tax revenues, credit rating downgrades, budget deficits and financing constraints, including timing and amount of federal funding and competing governmental priorities, could negatively impact the ability of government agencies to fund existing or new public infrastructure projects. For example, during the most recent recession, decreases in tax revenues reduced funding for infrastructure projects. In addition, any instability in the financial and credit markets could negatively impact our customers' ability to pay us on a timely basis, or at all, for work on projects already in progress, could cause our customers to delay or cancel construction projects in our contract backlog and/or could create difficulties for customers to obtain adequate financing to fund new construction projects, including through the issuance of municipal bonds.

Our business is dependent on federal, state and local government spending for public infrastructure construction, and reductions in government funding could adversely affect our results of operations.

During the fiscal year ended September 30, 2017, we generated approximately 70% of our construction contract revenues from publicly funded construction projects at the federal, state and local levels. As a result, if publicly funded construction decreases due to reduced federal, state or local funding or otherwise, our financial condition, results of operations and liquidity could be materially adversely affected.

In January 2011, Congress repealed a 1998 transportation law that protected annual highway funding levels from amendments that could reduce such funding. This change subjected federal highway funding to annual appropriation reviews, which has increased the uncertainty of many state DOTs regarding the availability of highway project funds. This uncertainty could cause state DOTs to be reluctant to undertake large multiyear highway projects, which could, in turn, negatively affect our results of operations.

Federal highway bills provide spending authorizations that represent maximum amounts. Each year, Congress passes an appropriation act establishing the amount that can be used for particular programs. The annual funding level is generally tied to receipts of highway user taxes placed in the Highway Trust Fund (as defined in the FAST Act). Once Congress passes the annual appropriation, the federal government distributes funds to each state

based on formulas or other procedures. States generally must spend these funds on the specific programs outlined in the federal legislation. In recent years, the Highway Trust Fund has faced insolvency as outlays have outpaced revenues. Annual shortfalls have been addressed primarily by short-term measures, including the transfer of funds from the General Fund (as defined in the FAST Act) into the Highway Trust Fund. As a result, we cannot be assured of the existence, timing or amount of future federal highway funding. Any reduction in federal highway funding, particularly in the amounts allocated to Alabama, Florida, Georgia, North Carolina and South Carolina, could have a material adverse effect on our results of operations.

Each state funds its infrastructure spending from specially allocated amounts collected from various taxes, typically fuel taxes and vehicle fees, as well as from voter-approved bond programs. Shortages in state tax revenues can reduce the amount spent on state infrastructure projects. Delays in state infrastructure spending can adversely affect our business. Many states have experienced state-level funding pressures caused by lower tax revenues and an inability to finance approved projects. Prior to the FAST Act, states took on a larger role in funding sustained infrastructure investment. During the past two years, many states have again taken on a significantly larger role in funding infrastructure investment, including initiating special-purpose taxes and increased fuel taxes.

While the current administration has announced an infrastructure stimulus plan, we cannot predict the impact, if any, that it or other proposed changes in law and regulations may have on our business.

We derive a significant portion of our revenues from state DOTs. The loss of our ability to competitively bid for certain projects or successfully contract with state DOTs could have a material adverse effect on our business.

Our largest customers are state DOTs. During the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. We believe that we will continue to rely on state DOTs for a substantial portion of our revenues for the foreseeable future. The loss of, or reduction of, our ability to competitively bid for, certain projects or successfully contract with a state DOT could have a material adverse effect on our financial condition, results of operation and liquidity. See Note 2 (Significant Accounting Policies), Concentration of Risks, to the consolidated financial statements for the fiscal year ended September 30, 2017 included elsewhere in this prospectus, for information relating to concentrations of revenues by type of customer and for a description of our largest customers.

Government contracts generally are subject to a variety of governmental regulations, requirements and statutes, the violation or alleged violation of which could have a material adverse effect on our business.

During the fiscal year ended September 30, 2017, approximately 70% of our construction contract revenues were derived from contracts funded by federal, state and local governmental agencies. Our contracts with these governmental agencies are generally subject to specific procurement regulations, contract provisions and a variety of socioeconomic requirements relating to their formation, administration, performance and accounting and often include express or implied certifications of compliance. Further, government contracts typically provide for termination at the convenience of the customer with requirements to pay us for work performed through the date of termination. We may be subject to claims for civil or criminal fraud for actual or alleged violations of these various governmental regulations, requirements or statutes. In addition, we may also be subject to *qui tam* litigation brought by private individuals on behalf of the government under the Federal Civil False Claims Act, which could include claims for up to treble damages. Further, if we fail to comply with any of these various governmental regulations, requirements or statutes or if we have a substantial number of accumulated Occupational Safety and Health Administration (“OSHA”), Mine Safety and Health Administration (“MSHA”) or

other workplace safety violations, our existing government contracts could be terminated, and we could be suspended from government contracting or subcontracting, including federally funded projects at the state level. Even if we have not violated these various governmental regulations, requirements or statutes, allegations of violations or defending *qui tam* litigation could harm our reputation and require us to incur material costs to defend any such allegations or lawsuits. Should one or more of these events occur, it could have a material adverse effect on our financial condition, results of operations, cash flow and liquidity.

If we do not comply with certain federal or state laws, we could be suspended or debarred from government contracting, which could have a material adverse effect on our business.

Various statutes to which our operations are subject, including the Davis-Bacon Act (regulating wages and benefits), the Walsh-Healy Act (prescribing a minimum wage and regulating overtime and working conditions), Executive Order 11246 (establishing equal employment opportunity and affirmative action requirements) and the Drug-Free Workplace Act, provide for mandatory suspension and/or debarment of contractors in certain circumstances involving statutory violations. In addition, the Federal Acquisition Regulation and various state statutes provide for discretionary suspension and/or debarment in certain circumstances, including as a result of being convicted of, or being found civilly liable for, fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public contract or subcontract. The scope and duration of any suspension or debarment may vary depending upon the facts of a particular case and the statutory or regulatory grounds for debarment. Any suspension or debarment from government contracting could have a material adverse effect on our financial condition, results of operations or liquidity.

If we are unable to accurately estimate the overall risks, revenues or costs on our projects, we may incur contract losses or achieve lower than anticipated profits.

Pricing on a fixed unit price contract is based on approved quantities irrespective of our actual costs, and contracts with a fixed total price require that the work be performed for a single price irrespective of our actual costs. We only generate profits on fixed unit price and fixed total price contracts when our revenues exceed our actual costs, which requires us to accurately estimate our costs, to control actual costs and to avoid cost overruns. If our cost estimates are too low or if we do not perform the contract within our cost estimates, then cost overruns may cause us to incur a loss or cause the contract not to be as profitable as we expected. The costs incurred and profit realized, if any, on our contracts can vary, sometimes substantially, from our original projections due to a variety of factors, including, but not limited to:

- the failure to include materials or work in a bid, or the failure to estimate properly the quantities or costs needed to complete a fixed total price contract;
- delays caused by weather conditions or otherwise failing to meet scheduled acceptance dates;
- contract or project modifications or conditions creating unanticipated costs that are not covered by change orders;
- changes in the availability, proximity and costs of materials, including liquid asphalt cement, aggregates and other construction materials, as well as fuel and lubricants for our equipment;
- to the extent not covered by contractual cost escalators, variability and inability to predict the costs of purchasing diesel, liquid asphalt and cement;
- the availability and skill level of workers;
- the failure by our suppliers, subcontractors, designers, engineers or customers to perform their obligations;
- fraud, theft or other improper activities by our suppliers, subcontractors, designers, engineers, customers or our own personnel;
- mechanical problems with our machinery or equipment;
- citations issued by a government authority, including under OSHA or MSHA;

- difficulties in obtaining required government permits or approvals;
- changes in applicable laws and regulations;
- uninsured claims or demands from third parties for alleged damages arising from the design, construction or use and operation of a project of which our work is part; and
- public infrastructure customers seeking to impose contractual risk-shifting provisions that result in our facing increased risks.

These factors, as well as others, may cause us to incur losses, which could have a material adverse effect on our financial condition, results of operations or liquidity.

Because our industry is capital intensive and we have significant fixed and semi-fixed costs, our profitability is sensitive to changes in volume.

The property, plants and equipment needed to produce our products and provide our services can be very expensive. We must spend a substantial amount of capital to purchase and maintain such property, plants and equipment. Although we believe our current cash balance, along with our projected internal cash flows and available financing sources, will provide sufficient cash to support our currently anticipated operating and capital needs, if we are unable to generate sufficient cash to purchase and maintain the property, plants and equipment necessary to operate our business, we may be required to reduce or delay planned capital expenditures or to incur additional indebtedness. In addition, due to the level of fixed and semi-fixed costs associated with our business, particularly at our HMA production facilities, volume decreases could have a material adverse effect on our financial condition, results of operations or liquidity.

The cancellation of a significant number of contracts, our disqualification from bidding for new contracts and the unpredictable timing of new contracts could have a material adverse effect on our business.

We could be prohibited from bidding on certain government contracts if we fail to maintain qualifications required by those entities. In addition, government contracts can typically be canceled at any time with our receiving payment only for the work completed. The cancellation of an unfinished contract or our disqualification from the bidding process could result in lost revenues and cause our equipment to be idled for a significant period of time until other comparable work becomes available. Additionally, the timing of project awards is unpredictable and outside of our control. Project awards, including expansions of existing projects, often involve complex and lengthy negotiations and competitive bidding processes.

The success of our business depends, in part, on our ability to execute on our acquisition strategy, to successfully integrate acquired businesses and to retain key employees of acquired businesses.

Over the last 16 years, we have acquired and integrated 15 complementary businesses, which have contributed to a significant portion of our growth. We continue to evaluate strategic acquisition opportunities that have the potential to support and strengthen our business, including acquisitions in states in the Southeastern United States, as part of our ongoing growth strategy. We expect to evaluate, negotiate and enter into possible acquisition transactions on an ongoing basis in the future. We expect to regularly make non-binding acquisition proposals, and we may enter into non-binding, confidential letters of intent from time to time in the future. We cannot predict the timing or size of any future acquisitions. To successfully acquire a significant target, we may need to raise additional equity and/or indebtedness, which could increase our leverage level. There can be no assurance that we will enter into definitive agreements with respect to any contemplated transaction or that any contemplated transaction will be completed. The investigation of acquisition candidates and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial

management time and attention and substantial costs for accountants, attorneys and others. If we fail to complete any acquisition for any reason, including events beyond our control, the costs incurred up to that point for the proposed acquisition likely would not be recoverable.

Acquisitions typically require integration of the acquired company's estimation, project management, finance, information technology, risk management, purchasing and fleet management functions. We may be unable to successfully integrate an acquired business into our existing business, and an acquired business may not be as profitable as we had expected or at all. Our inability to successfully integrate new businesses in a timely and orderly manner could increase costs, reduce profits or generate losses. Factors affecting the successful integration of an acquired business include, but are not limited to, the following:

- we may become liable for certain liabilities of an acquired business, whether or not known to us, which could include, among others, tax liabilities, product liabilities, environmental liabilities and liabilities for employment practices, and these liabilities could be significant;
- we may not be able to retain local managers and key employees who are important to the operations of an acquired business;
- substantial attention from our senior management and the management of an acquired business may be required, which could decrease the time that they have to service and attract customers;
- we may not effectively utilize new equipment that we acquire through acquisitions;
- the complete integration of an acquired company depends, to a certain extent, on the full implementation of our financial and management information systems, business practices and policies; and
- we may actively pursue a number of opportunities simultaneously and we may encounter unforeseen expenses, complications and delays, including difficulties in employing sufficient staff and maintaining operational and management oversight.

Acquisitions involve risks that the acquired business will not perform as expected and that business judgments concerning the value, strengths and weaknesses of the acquired business will prove incorrect. In addition, potential acquisition targets may be in states in which we do not currently operate, which could result in unforeseen operating difficulties and difficulties in coordinating geographically dispersed operations, personnel and facilities. In addition, if we enter into new geographic markets, we may be subject to additional and unfamiliar legal and regulatory requirements.

We cannot guarantee that we will achieve synergies and cost savings in connection with future acquisitions. Many of the businesses that we have acquired and may acquire in the future have unaudited financial statements that have been prepared by management and have not been independently reviewed or audited. We cannot guarantee that such financial statements would not be materially different if such statements were independently reviewed or audited. We cannot guarantee that we will continue to acquire businesses at valuations consistent with our prior acquisitions or that we will complete future acquisitions at all. We cannot guarantee that there will be attractive acquisition opportunities at reasonable prices, that financing will be available or that we can successfully integrate acquired businesses into our existing operations. In addition, our results of operations from these acquisitions could, in the future, result in impairment charges for any of our intangible assets, including goodwill or other long-lived assets, particularly if economic conditions worsen unexpectedly. Our inability to effectively manage the integration of our completed and future acquisitions could prevent us from realizing expected rates of return on an acquired business and could have a material and adverse effect on our financial condition, results of operations or liquidity.

We may lose business to competitors that underbid us, and we may be unable to compete favorably in our highly competitive industry.

Most of our project awards are determined through a competitive bidding process in which price is the determining factor. Because of the high cost of transporting HMA, our ability to win a project award is often influenced by the

distance between a work site and our HMA plants. We compete against multiple competitors in all of the markets in which we operate, most of which are local or regional operators. Some of our competitors are larger than we are, are vertically integrated and/or have similar or greater financial resources than we do. As a result, our competitors may be able to bid at lower prices than we can due to the location of their plants or as a result of their size or vertical-integration advantages. Government funding for public infrastructure projects is limited, thus contributing to competition for the limited number of public projects available. An increase in competition may result in a decrease in new project awards to us at acceptable profit margins. In addition, in the event of a downturn in private residential and commercial construction, the competition for available public infrastructure projects could intensify, which could materially and adversely impact our financial condition, results of operations or liquidity.

We may be unable to obtain or maintain sufficient bonding capacity, which could materially adversely affect our business.

A significant number of our contracts require performance and payment bonds. Our ability to obtain performance and payment bonds primarily depends upon our capitalization, working capital, past performance, management expertise, reputation and certain external factors, including the overall capacity of the surety market. If we are unable to renew or obtain a sufficient level of bonding capacity in the future, we may be precluded from being able to bid for certain projects or successfully contract with certain customers. In addition, even if we are able to successfully renew or obtain performance or payment bonds, we may be required to post letters of credit in connection with such bonds, which could negatively affect our liquidity and results of operations.

It is standard for sureties to issue or continue bonds on a project-by-project basis, and they can decline to do so at any time or require the posting of additional collateral as a condition thereto. Events that adversely affect the insurance and bonding markets generally may result in bonding becoming more difficult to or costly to obtain in the future. If we were to experience an interruption or reduction in the availability of our bonding capacity as a result of these or any other reasons, or if bonding costs were to increase, we may be unable to compete for certain projects that require bonding, which would materially and adversely affect our financial condition, results of operations or liquidity.

Our business is seasonal and subject to adverse weather conditions, which can adversely impact our business.

Our construction operations occur outdoors. As a result, seasonal changes and adverse weather conditions can adversely affect our business operations through a decline in both the use and production of HMA, a decline in the demand for our construction services and alterations and delays in our construction schedules. Adverse weather conditions such as extended rainy and cold weather in the spring and fall can reduce demand for our products and reduce sales or render our contracting operations less efficient resulting in under-utilization of crews and equipment and lower contract profitability. Major weather events such as hurricanes, tornadoes, tropical storms and heavy snows could also adversely affect our revenues and profitability.

Construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during the third and fourth quarters of our fiscal year typically results in higher activity and revenues during those quarters. Our first and second fiscal quarters typically have lower levels of activity due to weather conditions. Our third fiscal quarter varies greatly with spring rains and wide temperature variations. A cool wet spring increases drying time on projects, which can delay sales in our third fiscal quarter, while a warm dry spring may enable earlier project startup.

We are dependent on information technology and our systems and infrastructure face certain risks, including cyber security risks and data leakage risks.

We are dependent on information technology systems and infrastructure that could be damaged or interrupted by a variety of factors. Any significant breach, breakdown, destruction or interruption of these systems by employees, others with authorized access to our systems or unauthorized persons has the potential to negatively affect our operations. There is also a risk that we could experience a business interruption, theft of information or reputational damage as a result of a cyberattack, such as the infiltration of a data center, or data leakage of confidential information either internally or at our third-party providers. Although we have invested in the protection of our data and information technology to reduce these risks and periodically test the security of our information systems network, there can be no assurance that our efforts will prevent breakdowns or breaches in our systems that could have a material adverse effect on our financial condition, results of operations and liquidity.

Design-build contracts subject us to the risk of design errors and omissions.

Design-build contracts are used as a method of project delivery that provides the owner with a single point of responsibility for both design and construction. We generally subcontract design responsibility to architectural and engineering firms. However, in the event of a design error or omission that causes damages, there is a risk that the subcontractor and/or its errors and omissions insurance would not be able to absorb the full amount of the liability incurred. In this case, we may be responsible for the liability, resulting in a potentially material adverse effect on our financial position, results of operations, cash flows and liquidity.

Our continued success requires us to hire, train and retain qualified personnel and subcontractors in a competitive industry.

The success of our business depends upon our ability to attract, train and retain qualified, reliable personnel, including, but not limited to, our executive officers and key management personnel. Additionally, the successful operation of our business depends upon engineers, project management personnel, other employees and qualified subcontractors who possess the necessary and required experience and expertise and who will perform their respective services at a reasonable and competitive rate. Competition for these and other experienced personnel is intense, and it may be difficult to attract and retain qualified individuals with the requisite expertise and in the timeframe demanded by our clients. In certain geographic areas, for example, we may not be able to satisfy the demand for our services because of our inability to successfully hire, train and retain qualified personnel. Also, it could be difficult to replace personnel who hold government granted eligibility that may be required to obtain certain government projects and/or who have significant government contract experience.

As some of our executives and other key personnel approach retirement age, we must provide for smooth transitions, which may require that we devote time and resources to identify and integrate new personnel into vacant leadership roles and other key positions. If we are unable to attract and retain a sufficient number of skilled personnel or effectively implement appropriate succession plans, our ability to pursue projects and our strategic plan may be adversely affected, the costs of executing both our existing and future projects may increase and our financial performance may decline.

In addition, the cost of providing our services, including the extent to which we utilize our workforce, affects our profitability. For example, the uncertainty of contract award timing can present difficulties in matching our workforce size with our contracts. If an expected contract award is delayed or not received, we could incur costs resulting from excess staff or redundancy of facilities that could have a material adverse impact on our business, financial conditions and results of operations.

We depend on third parties for equipment and supplies essential to operate our business.

We rely on third parties to sell or lease properties, plants and equipment to us and to provide us with supplies, including liquid asphalt cement, aggregates and other construction materials (such as stone, gravel and sand), necessary for our operations. We cannot assure you that our favorable working relationships with our suppliers will continue in the future. In addition, there have historically been periods of supply shortages in our industry.

The inability to purchase or lease the properties, plants or equipment that are necessary for our operations could severely impact our business. If we lose our supply contracts and receive insufficient supplies from third parties to meet our customers' needs, or if our suppliers experience price increases or disruptions to their business, such as labor disputes, supply shortages or distribution problems, our business, financial condition, results of operations, liquidity and cash flows could be materially and adversely affected.

We consume natural gas, electricity, diesel fuel, liquid asphalt and other petroleum-based resources that are subject to potential reliability issues, supply constraints and significant price fluctuations, which could have a material adverse effect on our financial condition, results of operations and liquidity.

In our production and distribution processes, we consume significant amounts of natural gas, electricity, diesel fuel, liquid asphalt and other petroleum-based resources. The availability and pricing of these resources are subject to market forces that are beyond our control, such as unavailability due to refinery turnarounds, higher prices charged for petroleum-based products, and other factors. Furthermore, we are vulnerable to any reliability issues experienced by our suppliers, which also are beyond our control. Our suppliers contract separately for the purchase of such resources, and our sources of supply could be interrupted should our suppliers not be able to obtain these materials due to higher demand or other factors that interrupt their availability. Additionally, increases in the costs of fuel and other petroleum-based products utilized in our operations, particularly increases following a bid based on lower costs for such products, could result in a lower profit, or a loss, on a contract. Variability in the supply and prices of these resources could have a material adverse effect on our financial condition, results of operations and liquidity.

Our contract backlog is subject to reductions in scope and cancellations and therefore could be an unreliable indicator of our future earnings.

At December 31, 2017, our contract backlog was $550.9 million compared to $369.8 million at December 31, 2016 and $549.9 million at September 30, 2017. Our contract backlog generally consists of construction projects for which we either have an executed contract or commitment with a client or where we are the current low bid. Contract backlog does not include external sales of HMA and aggregates. Moreover, our contract backlog reflects our expected revenues from the contract, commitment or bid, which is often subject to revision over time. We cannot guarantee that the revenues projected in our contract backlog will be realized or, if realized, will be profitable. Projects reflected in our contract backlog may be affected by project cancellations, scope adjustments, time extensions or other changes. Such changes may adversely affect the revenues and profit we ultimately realize on these projects.

Failure of our subcontractors to perform as expected could have a negative impact on our results.

As described in "Business—Types of Contracts and Contract Management," we rely on third-party subcontractors to perform some of the work on many of our contracts, but we are ultimately responsible for the successful completion of their work. Although we seek to require bonding or other forms of guarantees from all of our subcontractors, we are not always able to obtain such bonds or guarantees. In situations where we are unable to

obtain a bond or guarantee, we may be responsible for the failures on the part of our subcontractors to perform as anticipated, resulting in a potentially adverse impact on our cash flows and liquidity. In addition, if the total costs of a project exceed our original estimates, we could experience reduced profits or a loss for that project, which could have an adverse impact on our financial position, results of operations, cash flows and liquidity.

The construction services industry is highly schedule driven, and our failure to meet the schedule requirements of our contracts could adversely affect our reputation and/or expose us to financial liability.

In some instances, including in the case of many of our fixed unit price contracts, we guarantee that we will complete a project by a certain date. Any failure to meet contractual schedule or completion requirements set forth in our contracts could subject us to responsibility for costs resulting from the delay, generally in the form of contractually agreed-upon liquidated damages, liability for our customer's actual costs arising out of our delay, reduced profits or a loss on that project, damage to our reputation and a material adverse impact to our financial position, results of operations, cash flows and liquidity.

Increasing restrictions on securing aggregate reserves could have a negative impact on our future results of operations.

Increasingly strict regulations and the limited nature of property containing useful aggregate reserves have made it increasingly challenging and costly to obtain aggregate reserves. Although we have been able to obtain adequate reserves to support our business in the past, our financial position, results of operations, cash flows and liquidity may be adversely affected by increasingly strict regulations.

Force majeure events, such as natural disasters and terrorists' actions, and unexpected equipment failures could negatively impact our business, which may affect our financial condition, results of operations or cash flows.

Force majeure events, such as terrorist attacks or natural disasters, have impacted, and could continue to negatively impact, the U.S. economy and the markets in which we operate. As an example, from time to time we face unexpected severe weather conditions, evacuation of personnel and curtailment of services, increased labor and material costs or shortages, inability to deliver materials, equipment and personnel to work sites in accordance with contract schedules and loss of productivity. We seek to include language in our private client contracts that grants us certain relief from force majeure events, and we regularly review and attempt to mitigate force majeure events in both public and private client contracts. However, the extra costs incurred as a result of these events may not be reimbursed by our clients, and we remain obligated to perform our services after most extraordinary events subject to relief that may be available pursuant to a force majeure clause.

Additionally, our manufacturing processes are dependent upon critical pieces of equipment, such as our HMA plants. This equipment, on occasion, may be out of service as a result of unanticipated failures or damage during accidents. Any significant interruption in production capability may require us to make significant capital expenditures to remedy problems or damage as well as cause us to lose revenues due to lost production time.

These force majeure events may affect our operations or those of our customers or suppliers and could impact our revenues, our production capability and our ability to complete contracts in a timely manner.

Inability to obtain or maintain adequate insurance coverage could adversely affect our results of operations.

As part of our overall risk management strategy and pursuant to requirements to maintain specific coverage that are contained in our financing agreements and in a majority of our contracts, we have obtained and maintain insurance coverage.

Although we have been able to obtain reasonably priced insurance coverage to meet our requirements in the past, there is no assurance that we will be able to do so in the future. For example, catastrophic events can result in decreased coverage limits, more limited coverage, and increased premium costs or deductibles. If we are unable to obtain adequate insurance coverage, we may not be able to procure certain contracts, which could materially adversely affect our financial position, results of operations, cash flows or liquidity.

We could incur material costs and losses as a result of claims that our products do not meet regulatory requirements or contractual specifications.

We provide our customers with products designed to comply with building codes or other regulatory requirements as well as any applicable contractual specifications, including, but not limited to durability, compressive strength and weight-bearing capacity. If our products do not satisfy these requirements and specifications, material claims may arise against us and our reputation could be damaged and, if any such claims are for an uninsured, non-indemnified or product-related claim, resolution of such claim against us could have a material adverse effect on our financial condition, results of operations or liquidity.

Environmental, health and safety laws and regulations and any changes to, or liabilities arising under, such laws and regulations could have a material adverse effect on our financial condition, results of operations and liquidity.

As described in "Business—Environmental Regulations," our operations are subject to stringent and complex federal, state and local laws and regulations governing the discharge of materials into the environment, health and safety aspects of our operations or otherwise relating to environmental protection. These laws and regulations may impose numerous obligations applicable to our operations, including: the acquisition of a permit or other approval before conducting regulated activities; the restriction of the types, quantities and concentration of materials that can be released into the environment; the limitation or prohibition of activities on certain lands lying within wilderness, wetlands, and other protected areas; the application of specific health and safety criteria addressing worker protection; and the imposition of substantial liabilities for pollution resulting from our operations. Numerous government authorities, such as the U.S. Environmental Protection Agency (the "EPA") and analogous state agencies, have the power to enforce compliance with these laws and regulations and the permits issued under them. Such enforcement actions often involve difficult and costly compliance measures or corrective actions. Failure to comply with these laws and regulations may result in the assessment of sanctions, including administrative, civil or criminal penalties, natural resource damages, the imposition of investigatory or remedial obligations, and the issuance of orders limiting or prohibiting some or all of our operations. In addition, we may experience delays in obtaining, or be unable to obtain, required permits, which may delay or interrupt our operations and limit our growth and revenue.

Certain environmental laws impose strict liability (i.e., no showing of "fault" is required) or joint and several liability for costs required to remediate and restore sites where hazardous substances, hydrocarbons or solid wastes have been stored or released. We may be required to remediate contaminated properties currently or formerly owned or operated by us or third-party facilities that received waste generated by our operations regardless of whether such contamination resulted from the conduct of others or from the consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken. In connection with certain acquisitions, we could acquire, or be required to provide indemnification against, environmental liabilities that could expose us to material losses. Furthermore, the existence of contamination at properties we own, lease or operate could result in increased operational costs or restrictions on our ability to use those properties as intended, including for mining purposes.

In certain instances, citizen groups also have the ability to bring legal proceedings against us if we are not in compliance with environmental laws, or to challenge our ability to receive environmental permits that we need to operate. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health and safety impacts of our operations. Our insurance may not cover all environmental risks and costs or may not provide sufficient coverage if an environmental claim is made against us. Moreover, public interest in the protection of the environment has increased dramatically in recent years. The trend of more expansive and stringent environmental legislation and regulations applied to our industry could continue, resulting in increased costs of doing business and consequently affecting profitability.

The risks associated with climate change, as well as climate change legislation and regulations, could adversely affect our operations and financial condition.

The physical risks of climate change, such as more frequent or more extreme weather events, changes in temperature and precipitation patterns, changes to ground and surface water availability and other related phenomena, could affect some, or all, of our operations. Severe weather or other natural disasters could be destructive, which could result in increased costs, including supply chain costs.

In addition, a number of government bodies have finalized, proposed or are contemplating legislative and regulatory changes in response to growing concerns about climate change. In recent years, federal, state and local governments have taken steps to reduce emissions of greenhouse gases ("GHGs"). The EPA has finalized a series of GHG monitoring, reporting and emissions control rules for certain large sources of GHGs, and the U.S. Congress has, from time to time, considered adopting legislation to reduce GHG emissions. Nearly half of the states have already taken measures to reduce GHG emissions, primarily through the development of GHG emission inventories and/or regional GHG cap-and-trade programs. While the Trump Administration has announced that the United States will withdraw from international commitments to reduce GHG emissions, it is not clear how this goal will be accomplished, and many state and local officials have announced their commitment to upholding such commitments.

Although it is not possible at this time to predict how future legislation or regulations to address GHG emissions would impact our business, any such laws and regulations imposing reporting obligations on, or limiting emissions of GHGs from, our equipment and operations, could require us to incur costs to reduce GHG emissions associated with our operations. Because we emit GHGs through the manufacture of HMA products and through the combustion of fossil fuels as part of our mining and road construction services, such laws and regulations could have a material adverse effect on our operating results and financial condition.

Our operations are subject to special hazards that may cause personal injury or property damage, subjecting us to liabilities and possible losses which may not be covered by insurance.

Operating hazards inherent in our business, some of which may be outside our control, can cause personal injury and loss of life, damage to or destruction of property, plant and equipment and environmental damage. We maintain insurance coverage in amounts and against the risks we believe are consistent with industry practice, but this insurance may be inadequate or unavailable to cover all losses or liabilities we may incur in our operations. Our insurance policies are subject to varying levels of deductibles. Losses up to our deductible amounts are accrued based upon our estimates of the ultimate liability for claims incurred and an estimate of claims incurred but not reported. However, liabilities subject to insurance are difficult to estimate due to unknown factors, including the severity of an injury, the determination of our liability in proportion to other parties, the number of unreported incidents and the effectiveness of our safety programs. If we were to experience insurance claims or costs above our estimates, we may be required to use working capital to satisfy these claims rather than using working capital to maintain or expand our operations.

Our substantial indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations.

Construction Partners Holdings, Inc. ("Construction Partners Holdings"), our wholly owned subsidiary, has a credit agreement with Compass Bank, as Agent, Sole Lead Arranger and Sole Bookrunner (as amended, the "Compass Credit Agreement"). The Compass Credit Agreement provides for a $50.0 million term loan (the "Term Loan") and a $30.0 million revolving credit facility (the "Revolving Credit Facility"). We guarantee the obligations under the Term Loan and the Revolving Credit Facility. A significant portion of our cash flow will be required to pay interest and principal on our outstanding indebtedness, and we may be unable to generate sufficient cash flow from operations, or have future borrowings available, to enable us to repay our indebtedness or to fund other liquidity needs. This level of indebtedness could have important consequences, including the following:

- we may be required to use a significant percentage of our cash flow from operations for debt service and the repayment of our indebtedness, and any such cash flow would not be available for other purposes;
- our ability to borrow money or issue equity to fund our working capital, capital expenditures, acquisitions and debt service requirements may be limited;
- our interest expense could increase if interest rates in general increase because a portion of our indebtedness bears interest at floating rates;
- our flexibility in planning for or reacting to changes in our business and future business opportunities may be limited;
- we may be more highly leveraged than some of our competitors, which may place us at a competitive disadvantage;
- we may be more vulnerable to a downturn in our business or the economy; and
- our ability to exploit business opportunities may be limited.

Despite our substantial indebtedness, we and our subsidiaries may still be able to incur additional debt. This could reduce our ability to satisfy our current obligations and further exacerbate the risks to our financial condition described above.

At December 31, 2017, we had $45.0 million outstanding under the Term Loan and $5.0 million outstanding under the Revolving Credit Facility. In addition, we and our subsidiaries may be able to incur significant additional indebtedness in the future, and we may do so, among other reasons, to fund acquisitions as part of our growth strategy. Although the Compass Credit Agreement contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and we could incur substantial additional indebtedness in compliance with these restrictions.

The Compass Credit Agreement restricts our ability and the ability of our subsidiaries to engage in some business and financial transactions.

The Compass Credit Agreement contains a number of covenants that limit our ability and the ability of our subsidiaries to:

- incur additional indebtedness or guarantees;
- create liens on assets;
- change our or their fiscal year;
- enter into sale and leaseback transactions;
- enter into certain restrictive agreements;
- engage in mergers or consolidations;
- participate in partnerships and joint ventures;
- sell assets;

- incur additional liens;
- pay dividends or distributions and make other restricted payments;
- make investments, loans or advances;
- repay or amend terms of subordinated indebtedness;
- make certain acquisitions;
- enter into certain operating leases;
- enter into certain hedge transactions;
- amend material contracts; and
- engage in certain transactions with affiliates.

The Compass Credit Agreement also requires us to maintain a fixed charge coverage ratio and a consolidated leverage ratio, and contains certain customary representations and warranties, affirmative covenants and events of default (including, among others, an event of default upon a change of control). If an event of default occurs, the lenders under the Compass Credit Agreement will be entitled to take various actions, including the acceleration of amounts due thereunder and all actions permitted to be taken by a secured creditor. Our failure to comply with our obligations under the Compass Credit Agreement may result in an event of default under the Compass Credit Agreement. A default, if not cured or waived, may permit acceleration of our indebtedness. If our indebtedness is accelerated, we cannot be certain that we will have sufficient funds available to pay the accelerated indebtedness or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all.

We may need to raise additional capital in the future for working capital, capital expenditures and/or acquisitions, and we may not be able to do so on favorable terms or at all, which would impair our ability to operate our business or achieve our growth objectives.

Our ongoing ability to generate cash is important for the funding of our continuing operations, making acquisitions and servicing our indebtedness. To the extent that existing cash balances and cash flow from operations, together with borrowing capacity under our Revolving Credit Facility, are insufficient to make investments or acquisitions or provide needed working capital, we may require additional financing from other sources. Our ability to obtain such additional financing in the future will depend in part upon prevailing capital market conditions, as well as conditions in our business and our operating results, and those factors may affect our efforts to arrange additional financing on terms that are acceptable to us. Furthermore, if global economic, political or other market conditions adversely affect the financial institutions that provide credit to us, it is possible that our ability to draw upon our Revolving Credit Facility may be impacted. If adequate funds are not available, or are not available on acceptable terms, we may not be able to make future investments, take advantage of acquisitions or other opportunities, or respond to competitive challenges, resulting in loss of market share, each of which could have a material adverse impact on our financial position, results of operations, cash flows and liquidity.

We may be unable to identify and contract with qualified Disadvantaged Business Enterprise contractors to perform as subcontractors.

Some of our contracts with governmental agencies contain minimum Disadvantaged Business Enterprise (“DBE”) participation clauses, which require us to maintain a requisite level of DBE participation. If we fail to obtain or maintain such requisite level of DBE participation, we could be held responsible for breach of contract. Such breach may result in the placement of restrictions on our ability to bid on future projects as well as monetary damages. To the extent we are responsible for monetary damages, the total costs of the project could exceed our original estimates, we could experience reduced profits or a loss for that project and there could be a material adverse impact to our financial position, results of operations, cash flows or liquidity.

Failure to maintain safe work sites could result in significant losses, which could materially affect our business and reputation.

Because our employees and others are often in close proximity with mechanized equipment, moving vehicles, chemical substances and dangerous manufacturing processes, our construction and maintenance sites are potentially dangerous workplaces. Therefore, safety is a primary focus of our business and is critical to our reputation and performance. Many of our clients require that we meet certain safety criteria to be eligible to bid on contracts, and some of our contract fees or profits are subject to satisfying safety criteria. Unsafe work conditions also can increase employee turnover, which increases project costs and therefore our overall operating costs. If we fail to implement safety procedures or implement ineffective safety procedures, our employees could be injured, and we could be exposed to investigations and possible litigation. Our failure to maintain adequate safety standards through our safety programs could also result in reduced profitability or the loss of projects or clients, and could have a material adverse impact on our financial position, results of operations, cash flows or liquidity.

In connection with acquisitions, we have recorded goodwill and other intangible assets that could become impaired and adversely affect our operating results. Assessing whether impairment has occurred requires us to make significant judgments and assumptions about the future, which are inherently subject to risks and uncertainties, and if actual events turn out to be materially less favorable than the judgments we make and the assumptions we use, we may be required to record impairment charges in the future.

At September 30, 2017 and December 31, 2017, we had $30.6 million of goodwill recorded on our Consolidated Balance Sheets. We assess goodwill for impairment annually or more often if required. Our assessments involve a number of estimates and assumptions that are inherently subjective, require significant judgment regarding highly uncertain matters that are subject to change. The use of different assumptions or estimates could materially affect the determination as to whether or not an impairment has occurred. In addition, if future events are less favorable than what we assumed or estimated in our impairment analysis, we may be required to record an impairment charge, which could have a material impact on our consolidated financial statements.

Our earnings are affected by the application of accounting standards and our critical accounting policies, which involve subjective judgments and estimates by our management. Our actual results could differ from the estimates and assumptions used to prepare our financial statements.

The accounting standards we use in preparing our financial statements are often complex and require that we make significant estimates and assumptions in interpreting and applying those standards. These estimates and assumptions affect the reported values of assets, liabilities, revenues and expenses, and the disclosure of contingent liabilities. We make critical estimates and assumptions involving accounting matters, including our revenue recognition, contracts receivable including retainage, valuation of long-lived assets and goodwill, income taxes, accrued insurance costs and share based payments and other equity transactions. These estimates and assumptions involve matters that are inherently uncertain and require our subjective and complex judgments. If we used different estimates and assumptions or used different ways to determine these estimates, our financial results could differ.

Our actual business and financial results could differ from our estimates of such results, which could have a material negative impact on our financial condition and reported results of operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates.”

The percentage-of-completion method of accounting for contract revenues involves significant estimates that may result in material adjustments, which could result in a charge against our earnings.

We recognize contract revenues using the percentage-of-completion accounting method. Under this method, revenues are recognized as costs are incurred in an amount equal to cost plus the related expected profit based on the ratio of costs incurred to estimated final costs. Contract costs consist of direct costs on contracts, including labor, materials, amounts payable to subcontractors and those indirect costs related to contract performance, such as equipment costs, insurance and employee benefits. Contract cost is recorded as incurred, and revisions in contract revenues and cost estimates are reflected in the accounting period when known. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those changes arising from contract change orders, penalty provisions and final contract settlements, may result in revisions to costs and income and are recognized in the period in which the revisions are determined. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Estimated contract losses are recognized in full when determined. Total contract revenues and cost estimates are reviewed and revised at a minimum on a quarterly basis as the work progresses and as change orders are approved. Adjustments based upon the percentage-of-completion are reflected in contract revenues in the period when these estimates are revised. To the extent that these adjustments result in an increase or a reduction in or an elimination of previously reported contract profit, we recognize a credit or a charge against current earnings, as applicable. Such credits or charges could be material and could cause our results to fluctuate materially from period to period.

Accounting for our contract related revenues and costs, as well as other expenses, requires management to make a variety of significant estimates and assumptions. Although we believe we have the experience and processes to enable us to formulate appropriate assumptions and produce reasonably dependable estimates, these assumptions and estimates may change significantly in the future and could result in the reversal of previously recognized revenues and profit. Such changes could have a material adverse effect on our financial position and results of operations.

Recently enacted U.S. tax legislation may adversely affect our business, results of operations, financial condition and cash flow.

On December 22, 2017, the President of the United States signed into law Public Law No. 115-97, commonly referred to as the Tax Cuts and Jobs Act, following its passage by the United States Congress. The Tax Cuts and Jobs Act will make significant changes to U.S. federal income tax laws, including changing the corporate tax rate to a flat 21% rate, introducing a capital investment deduction in certain circumstances, placing certain limitations on the interest deduction, modifying the rules regarding the usability of certain net operating losses, and making extensive changes to the U.S. international tax system. We are currently in the process of analyzing the effects of this new legislation on our business, results of operations, financial condition and cash flow. The impact of these new rules is uncertain and could be adverse.

Risks Related to this Offering and Ownership of Our Class A Common Stock

The dual class structure of our common stock will have the effect of concentrating voting control with SunTx and its affiliates, which will limit or preclude your ability to influence corporate matters.

Our Class B common stock has ten votes per share, and our Class A common stock, which is being sold in this offering, has one vote per share. Holders of our Class B common stock, including SunTx, its affiliates and certain

other stockholders, will together hold approximately 97.1% of the voting power of our outstanding common stock following the completion of this offering. Because of the ten-to-one voting ratio between our Class B common stock and our Class A common stock, the holders of our Class B common stock will collectively continue to control a majority of the combined voting power of our common stock and therefore be able to control all matters submitted to our stockholders. This concentrated control will limit or preclude your ability to influence corporate matters for the foreseeable future.

Future transfers of shares of our Class B common stock will generally result in those shares converting into shares of our Class A common stock, subject to limited exceptions, such as certain transfers to permitted transferees. See "Description of Our Capital Stock—Common Stock—Conversion and Restrictions on Transfer." The conversion of shares of our Class B common stock into our Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of shares of our Class B common stock who retain their shares in the long-term. See "Description of Our Capital Stock—Common Stock—Voting Rights."

We will incur increased costs as a result of being a public company, which may significantly affect our financial condition.

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company, including costs associated with our public company reporting requirements. We also anticipate that we will incur costs associated with corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the Dodd-Frank Act of 2010 and rules implemented by the SEC. We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, particularly after we are no longer an "emerging growth company" (as defined in the JOBS Act). For example, as a result of becoming a publicly traded company, we are required to adopt policies regarding internal controls and disclosure controls and procedures, including the preparation of reports on internal control over financial reporting. We also expect these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating these rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

We estimate that we will incur approximately $2.5 million of incremental costs per year associated with being a publicly traded company. However, it is possible that our actual incremental costs of being a publicly traded company will be higher than we currently estimate. After we are no longer an emerging growth company, we expect to incur significant additional expenses and devote substantial management effort toward ensuring compliance with those requirements applicable to companies that are not emerging growth companies, including Section 404 of the Sarbanes-Oxley Act.

For so long as we are an "emerging growth company" we will not be required to comply with certain disclosure requirements that are applicable to other public companies, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an "emerging growth company" (as defined in the JOBS Act), and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-

Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our Class A common stock less attractive because we will rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock, and our Class A common stock price may be more volatile.

We will remain an emerging growth company until the earliest to occur of the last day of the fiscal year during which our total revenues equals or exceeds $1.07 billion, the last day of the fiscal year following the fifth anniversary of this offering, the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt securities and the date on which we are deemed to be a "large accelerated filer" under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

We will be subject to certain requirements of Section 404 of the Sarbanes-Oxley Act. If we are unable to timely comply with such requirements or if the costs related to compliance are significant, our profitability, stock price, results of operations and financial condition could be materially adversely affected.

We will be required to comply with certain provisions of Section 404 of the Sarbanes-Oxley Act, which requires that we document and test our internal control over financial reporting and issue management's assessment of our internal control over financial reporting beginning with the fiscal year ended September 30, 2019. This section also requires that our independent registered public accounting firm opine on those internal controls upon becoming an accelerated filer, as defined in the SEC rules, or otherwise ceasing to qualify for an exemption from the requirement to provide auditors' attestation on internal controls afforded to emerging growth companies under the JOBS Act.

We believe that the out-of-pocket costs, the diversion of management's attention from running the day-to-day operations and operational changes caused by the need to comply with the requirements of Section 404 of the Sarbanes-Oxley Act could be significant. If the time and costs associated with such compliance exceed our current expectations and our results of operations could be adversely affected.

We cannot be certain at this time that we will be able to successfully complete the procedures, certification and attestation requirements of Section 404 of the Sarbanes-Oxley Act or that we or our auditors will not identify further material weaknesses in internal control over financial reporting. If we fail to comply with such requirements, or if at any time after becoming a public company, we or our auditors identify and report any material weaknesses, the accuracy and timeliness of the filing of our annual and quarterly reports may be materially adversely affected and could cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our Class A common stock. In addition, a material weakness in the effectiveness of our internal control over financial reporting could result in an increased chance of fraud and the loss of customers, reduce our ability to obtain financing, subject us to investigations by the SEC or other regulatory authorities and require additional expenditures to comply with these requirements, each of which could have a material adverse effect on our business, results of operations and financial condition.

We have identified material weaknesses in our internal control over financial reporting, and if we are unable to achieve and maintain effective internal control over financial reporting, investors could lose confidence in our financial statements and our Company, which could have a material adverse effect on our business and our stock price.

In the course of preparing the financial statements that are included in this prospectus, our management has determined that we have material weaknesses in our internal control over financial reporting, which relate to the

design and operation of our information technology general controls and overall closing and financial reporting processes, including our accounting for significant and unusual transactions. We have concluded that these material weaknesses in our internal control over financial reporting are due to the fact that, prior to this offering, we were a private company with limited resources and did not have the necessary business processes and related internal controls formally designed and implemented coupled with the appropriate resources with the appropriate level of experience and technical expertise to oversee our business processes and controls surrounding information technology general controls, our closing and financial reporting processes and to address the accounting and financial reporting requirements related to significant and unusual transactions.

In order to remediate these material weaknesses, we are taking the following actions: (i) we are actively seeking additional accounting and finance staff members and a senior accounting officer with public company reporting experience, to augment our current staff and to improve the effectiveness of our closing and financial reporting processes; and (ii) we have engaged a third-party to assist us with formalizing our business processes, accounting policies and internal controls documentation and related internal controls and strengthening supervisory reviews by our management.

If we fail to fully remediate these material weaknesses or fail to maintain effective internal controls in the future, it could result in a material misstatement of our financial statements that would not be prevented or detected on a timely basis, which could cause investors to lose confidence in our financial information or cause the trading price of our Class A common stock to decline. Our independent registered public accounting firm has not assessed the effectiveness of our internal control over financial reporting and, under the JOBS Act, will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected.

There has been no public market for our Class A common stock and, if the price of our Class A common stock fluctuates significantly, your investment could lose value.

Prior to this offering, there has been no public market for our Class A common stock. Although we have applied for listing of our Class A common stock on The Nasdaq Global Select Market, we cannot guarantee that an active public market will develop for our Class A common stock or that our Class A common stock will trade in the public market subsequent to this offering at or above the initial public offering price. If an active public market for our Class A common stock does not develop, the trading price and liquidity of our Class A common stock will be materially and adversely affected. If there is a thin trading market or "float" for our Class A common stock, the market price for our Class A common stock may fluctuate significantly more than the stock market as a whole. Without a large float, our Class A common stock is less liquid than the securities of companies with broader public ownership and, as a result, the trading prices of our Class A common stock may be more volatile. In addition, in the absence of an active public trading market, investors may be unable to liquidate their investment in our Company. The initial offering price, which will be negotiated between us and the underwriters, may not be indicative of the trading price for our Class A common stock after this offering. In addition, the stock market is subject to significant price and volume fluctuations, and the price of our Class A common stock could fluctuate widely in response to several factors, including:

- our quarterly or annual operating results;
- investment recommendations by securities analysts following our business or our industry;
- additions or departures of key personnel;
- changes in the business, earnings estimates or market perceptions of our competitors;
- our failure to achieve operating results consistent with securities analysts' projections;

- changes in industry, general market or economic conditions; and
- announcements of legislative or regulatory change.

The stock market has experienced significant price and volume fluctuations in recent years that have significantly affected the quoted prices of the securities of many companies, including companies in our industry. The changes often appear to occur without regard to specific operating performance. The price of our Class A common stock could fluctuate based upon factors that have little or nothing to do with our Company and these fluctuations could materially reduce the price for our Class A common stock.

Certain of our directors and senior management have limited experience managing public companies, which could adversely affect our financial position.

Certain members of our senior management and certain of our directors have not previously managed a publicly traded company and may be unsuccessful in doing so. The demands of managing a publicly traded company are significant, and some members of our senior management and some of our directors may not be able to meet these increased demands. Failure to effectively manage our business could adversely affect our overall financial position.

Future sales, or the perception of future sales, by us or our existing stockholders in the public market following the completion of this offering could cause the market price for our Class A common stock to decline.

After this offering, the sale of shares of our Class A common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our Class A common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon the completion of this offering, we will have outstanding a total of 11,250,000 shares of our Class A common stock and 37,317,537 shares of our Class B common stock that are convertible by the holders thereof at any time into an equal number of shares of our Class A common stock. Of the outstanding shares, the 11,250,000 shares sold in this offering (or 12,937,500 shares if the underwriters' option to purchase additional shares is exercised in full) will be freely tradable without restriction or further registration under the Securities Act, except that any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act ("Rule 144"), including our directors, executive officers and other affiliates (including affiliates of SunTx) may be sold only in compliance with the limitations described in "Shares Eligible for Future Sale."

The remaining 37,317,537 shares of our Class B common stock, representing 76.8% of our total outstanding shares of our common stock following the completion of this offering, will be "restricted securities" within the meaning of Rule 144 and subject to certain restrictions on resale following the completion of this offering. Restricted securities may be sold in the public market only if they are registered under the Securities Act or are sold pursuant to an exemption from registration such as Rule 144. See "Shares Eligible for Future Sale."

In connection with this offering, we, our directors and executive officers, the selling stockholders and substantially all holders of our common stock prior to this offering have each agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our or their common stock or securities convertible into or exchangeable for shares of such common stock during the period from the date hereof continuing through date that is 180 days after the date hereof, except with the prior written consent of Robert W. Baird & Co. Incorporated. See "Underwriting."

Upon the expiration of the lock-up agreements described above, 37,317,537 shares of our common stock will be eligible for resale, of which 36,177,645 would be subject to volume, manner of sale and other limitations under Rule 144. In addition, pursuant to a registration rights agreement, SunTx and certain other stockholders have the right, subject to certain conditions, to require us to register the sale of their shares of common stock under the Securities Act. By exercising their registration rights and selling a large number of shares, these stockholders could cause the prevailing market price of our Class A common stock to decline. Following completion of this offering, the shares covered by registration rights would represent approximately 76.0% of our total common stock outstanding (or 75.1%, if the underwriters' option to purchase additional shares is exercised in full). Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See "Shares Eligible for Future Sale."

As restrictions on resale end or if these stockholders exercise their registration rights, the market price of the shares of our Class A common stock could drop significantly if the holders of these shares sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our Class A common stock or other securities.

In the future, we may also issue our securities in connection with offerings or acquisitions. The number of shares of our Class A common stock issued in connection with offerings or acquisitions could constitute a material portion of the then-outstanding shares of our Class A common stock. Any issuance of additional securities in connection with offerings or acquisitions would result in additional dilution to you.

The underwriters of this offering may waive or release parties to the lock-up agreements entered into in connection with this offering, which could adversely affect the price of our Class A common stock.

We, our directors and executive officers, the selling stockholders and substantially all holders of our common stock have entered into lock-up agreements with respect to our and their respective shares of common stock. As restrictions on resale end, the market price of our Class A common stock could decline if the holders of restricted shares sell them or are perceived by the market as intending to sell them. Robert W. Baird & Co. Incorporated, at any time and without notice, may release all or any portion of the shares of common stock subject to the foregoing lock-up agreements entered into in connection with this offering. If the restrictions under the lock-up agreements are waived, 37,317,537 shares of common stock will be available for sale into the market, which could reduce the market value for our Class A common stock.

Affiliates of SunTx control us, and their interests may conflict with ours or yours in the future.

Immediately following the completion of this offering, affiliates of SunTx will beneficially own 88.9% of our Class B common stock, representing 86.3% of the combined voting power of our common stock. Each share of our Class B common stock will have ten votes per share, and our Class A common stock, which is the stock being sold in this offering, will have one vote per share. As a result, affiliates of SunTx will have the ability to elect all of the members of our board of directors and thereby control our policies and operations, including the appointment of management, future issuances of our Class A common stock or other securities, the payment of dividends, if any, on our Class A common stock, the incurrence of debt by us, amendments to our amended and restated certificate of incorporation and amended and restated bylaws, and the entering into of extraordinary transactions. This concentration of voting control could deprive you of an opportunity to receive a premium for your shares of our Class A common stock as part of a sale of our Company and ultimately might affect the market price of our Class A common stock. In addition we have engaged, and expect to continue to engage, in related party transactions involving SunTx and certain companies they control. As a result, the interests of affiliates of SunTx may not in all cases be aligned with your interests. See "Certain Relationships and Related Party Transactions."

In addition, SunTx may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you. For example, SunTx could cause us to make acquisitions that increase our indebtedness or cause us to sell revenue-generating assets. SunTx is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Our amended and restated certificate of incorporation will provide that none of SunTx, any of its affiliates or any director who is not employed by us or his or her affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. SunTx also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us.

So long as SunTx and its affiliates continue to beneficially own a sufficient number of shares of our Class A common stock and our Class B common stock, even if they own significantly less than 50% of the shares of our outstanding Class A common stock, they will continue to be able to effectively control our decisions. For example, if our Class B common stock amounted to 15% of our outstanding common stock, holders of our Class B common stock (including SunTx and its affiliates) would collectively control approximately 63.8% of the voting power of our common stock. Shares of our Class B common stock may be transferred to an unrelated third party if a majority of the shares of our Class B common stock held by SunTx and its affiliates have consented to such transfer in writing in advance.

If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our Class A common stock or if our operating results do not meet their expectations, the price of our Class A common stock could decline.

The trading market for our Class A common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause the price or trading volume of our Class A common stock to decline. Moreover, if one or more of the analysts who cover our Company downgrades our Class A common stock or if our operating results do not meet their expectations, the price of our Class A common stock could decline.

Purchasers in this offering will experience immediate dilution.

The initial public offering price is substantially higher than the pro forma net tangible book value per share of our outstanding common stock. As a result, you will experience immediate and substantial dilution of approximately $11.36 per share of our Class A common stock, representing the difference between our pro forma net tangible book value per share of our common stock at December 31, 2017, after giving effect to this offering, and an assumed initial public offering price of $16.00 (the midpoint of the range set forth on the cover of this prospectus). A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share of our Class A common stock (the midpoint of the range set forth on the cover of this prospectus) would increase (decrease) our net tangible book value per share of our Class A common stock after giving effect to this offering by $6.3 million, and increase (decrease) the dilution to new investors by $0.13 per share, assuming the number of shares of our Class A common stock offered by us, as set forth on the cover of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offered expenses payable by us. See “Dilution.”

We may issue preferred stock with terms that could adversely affect the voting power or value of our Class A common stock.

Our amended and restated certificate of incorporation will authorize us to issue, without the approval of our stockholders, one or more classes or series of preferred stock having such designations, preferences, limitations and relative rights, including preferences over our Class A common stock respecting dividends and distributions, as our board of directors may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our Class A common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of our Class A common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law make it more difficult to effect a change in control of our Company, which could adversely affect the price of our Class A common stock.

Certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware corporate law could delay or prevent a change in control of our Company, even if that change would be beneficial to our stockholders. Our amended and restated certificate of incorporation and amended and restated bylaws will contain provisions that may make acquiring control of our Company difficult, including:

- a dual class common stock structure, which currently provides SunTx and its affiliates and the other holders of our Class B common stock with the ability to control the outcome of matters requiring stockholder approval, so long as they continue to beneficially own a sufficient number of shares of our Class B common stock, even if they own significantly less than 50% of the shares of our outstanding common stock;
- a classified board of directors with three year staggered terms;
- provisions regulating the ability of our stockholders to nominate directors for election or to bring matters for action at annual meetings of our stockholders;
- limitations on the ability of our stockholders to call a special meeting and act by written consent;
- the ability of our board of directors to adopt, amend or repeal bylaws, and the requirement that the affirmative vote of holders representing at least 66 2/3% of the voting power of all outstanding shares of capital stock be obtained for stockholders to amend our amended and restated bylaws;
- the requirement that the affirmative vote of holders representing at least 66 2/3% of the voting power of all outstanding shares of capital stock be obtained to remove directors;
- the requirement that the affirmative vote of holders representing at least 66 2/3% of the voting power of all outstanding shares of capital stock be obtained to amend our amended and restated certificate of incorporation; and
- the authorization given to our board of directors to issue and set the terms of preferred stock without the approval of our stockholders.

These provisions also could discourage proxy contests and make it more difficult for you and other stockholders to elect directors and take other corporate actions. As a result, these provisions could make it more difficult for a third party to acquire us, even if doing so would benefit our stockholders, which may limit the price that investors are willing to pay in the future for shares of our Class A common stock.

Our amended and restated certificate of incorporation designates courts in the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation provides that, subject to limited exceptions, a state court located within the State of Delaware is the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders;
- any action asserting a claim against us arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL"); or
- any action asserting a claim against us that is governed by the internal affairs doctrine.

In addition, our amended and restated certificate of incorporation provides that if any action specified above (each is referred to herein as a covered proceeding), is filed in a court other than a court located within the State of Delaware (each is referred to herein as a foreign action), the claiming party will be deemed to have consented to (i) the personal jurisdiction of state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce the exclusive forum provision described above and (ii) having service of process made upon such claiming party in any such enforcement action by service upon such claiming party's counsel in the foreign action as agent for such claiming party.

These provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the covered proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition.

Since we will be a "controlled company" for purposes of the corporate governance requirements of the rules of The Nasdaq Global Select Market and the rules of the SEC, our stockholders will not have, and may never have, the protections that these corporate governance requirements are intended to provide.

After completion of this offering, SunTx and its affiliates will continue to control a majority of the voting power of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of the rules of The Nasdaq Global Select Market and the SEC. As a result, we will not be required to comply with the provisions requiring that a majority of our directors be independent, the compensation of our executives be determined by independent directors or nominees for election to our board of directors be selected by independent directors. Because we intend to take advantage of some or all of these exemptions, our stockholders may not have the protections that these rules are intended to provide. Our status as a controlled company could cause our Class A common stock to look less attractive to certain investors or otherwise reduce the trading price of our Class A common stock.

We do not intend to pay cash dividends on our Class A common stock in the foreseeable future, and therefore only appreciation, if any, of the price of our Class A common stock will provide a return to our stockholders.

We currently anticipate that we will retain all future earnings, if any, to finance the growth and development of our business. We do not intend to pay cash dividends on our Class A common stock in the foreseeable future. Any

future determination as to the declaration and payment of cash dividends will be at the discretion of our board of directors and will depend upon our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors deemed relevant by our board of directors. In addition, the terms of the Compass Credit Agreement restricts our ability to pay cash dividends. As a result, only appreciation of the price of our Class A common stock, which may not occur, will provide a return to our stockholders.

USE OF PROCEEDS

We estimate that our net proceeds from this offering, after deducting estimated underwriting discounts and commissions and approximately $5.8 million of estimated offering expenses payable by us, will be $94.7 million, assuming an initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus). We will not receive any proceeds from the sale of shares by the selling stockholders. We intend to use these net proceeds to provide growth capital, to fund acquisitions and for general corporate purposes, which may include the repayment of debt from time to time.

As discussed in the section titled "Summary—Recent Developments," we have entered into a non-binding letter of intent to acquire the ongoing operations of a civil infrastructure company in the Southeastern United States. If we complete this transaction according to the terms contained in the letter of intent, we would use approximately $30.0 million of the net proceeds of this offering and additional borrowings under the Term Loan as consideration for the acquisition.

At December 31, 2017, we had total borrowings of $45.0 million outstanding under the Term Loan and $5.0 million outstanding under the Revolving Credit Facility with an interest rate of 3.569% on outstanding borrowings.

A $1.00 increase or decrease in the assumed initial public offering price per share of our Class A common stock would cause our net proceeds from this offering to increase or decrease by approximately $6.3 million, assuming the number of shares of our Class A common stock offered by us remains the same and after deducting the estimated underwriting discounts and commissions and offering expenses payable by us. Each increase or decrease of 100,000 shares in the number of shares offered by us at the assumed initial public offering price per share of our Class A common stock would increase or decrease our net proceeds from this offering by $1.5 million after deducting the estimated underwriting discounts and commissions and offering expenses payable by us.

DIVIDEND POLICY

On December 21, 2016, our board of directors declared a cash dividend of approximately $31.3 million, or $0.75 per share of our common stock, to the holders of shares of record at December 15, 2016. The cash dividend was paid on January 10, 2017.

We intend to retain all available funds and any future earnings for use in the operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that our board of directors considers relevant. In addition, the terms of the Compass Credit Agreement restrict our ability to pay cash dividends to the holders of our common stock unless, after giving effect to such dividend, we would be in compliance with the financial covenants and, at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend.

CAPITALIZATION

The following table sets forth our cash and capitalization at December 31, 2017:

- on an actual basis, giving retroactive effect to the 25.2 to 1 stock split;
- on a pro forma basis, to reflect the Reclassification, including: (i) the filing and effectiveness of our amended and restated certificate of incorporation; (ii) the classification of all 1,654,426 shares of our common stock into 41,691,537 shares of our Class B common stock; and (iii) the authorization of our Class A common stock; and
- on a pro forma as adjusted basis, to give further effect to: (i) the sale of 6,750,000 shares of our Class A common stock by us in this offering at an assumed initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus) and our receipt of an estimated $94.7 million of net proceeds from this offering after deducting estimated underwriting discounts and commissions and offering expenses payable by us; and (ii) the reclassification of 4,500,000 shares of our Class B common stock to a like amount of our Class A common stock upon the sale of such shares by the selling stockholders in this offering.

You should read the following table in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	At December 31, 2017		
	Actual	Pro Forma	Pro Forma As Adjusted[1]
(in thousands, except per share data)		(unaudited)	
Cash	$ 30,219	$ 30,219	$124,873
Long-term debt (including current maturities)[2]	$ 49,655	$ 49,655	$ 49,655
Stockholders' equity:			
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding, actual; 10,000,000 shares authorized and no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, par value $0.001; 126,000,000 shares authorized, 44,987,575 shares issued and 41,691,541 shares outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	45	—	—
Class A common stock, par value $0.001; no shares authorized, issued and outstanding, actual; 400,000,000 shares authorized and no shares issued and outstanding, pro forma; 400,000,000 shares authorized and 11,250,000 shares issued and outstanding, pro forma as adjusted	—	—	11
Class B common stock, par value $0.001; no shares authorized, issued and outstanding, actual; 100,000,000 shares authorized, 44,987,571 shares issued and 41,691,537 shares outstanding, pro forma; 100,000,000 shares authorized and 40,487,571 shares issued and 37,191,537 shares outstanding, pro forma as adjusted	—	45	41
Additional paid-in capital	142,385	142,385	237,032
Treasury stock, at cost	(11,983)	(11,983)	(11,983)
Retained earnings	32,730	32,730	32,730
Total stockholders' equity	163,177	163,177	257,831
Total capitalization	$212,832	$212,832	$307,486

(1) A $1.00 increase or decrease in the assumed initial public offering price per share of our Class A common stock would increase or decrease each of cash, additional paid-in-capital and total capitalization by approximately $6.3 million, assuming the number of shares of our Class A common stock offered by us remains the same and after deducting the estimated underwriting discounts and commissions and offering expenses payable by us. The pro forma as adjusted information is illustrative only, and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

(2) Represents borrowings outstanding under the Compass Credit Agreement, net of deferred debt issuance costs of $0.3 million. At December 31, 2017, we had total borrowings of $45.0 million outstanding under the Term Loan and $5.0 million outstanding under the Revolving Credit Facility. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Compass Credit Agreement."

If the underwriters exercise their option to purchase additional shares of our Class A common stock from the selling stockholders in full, pro forma as adjusted cash, total stockholders' equity, total capitalization, and shares of Class A and Class B common stock outstanding at December 31, 2017 would be $124.9 million, $257.8 million, $307.5 million, 12,937,500 and 35,504,037, respectively.

DILUTION

Dilution is the amount by which the offering price paid by purchasers of our Class A common stock sold in this offering will exceed the pro forma as adjusted net tangible book value per share of our Class A common stock after the completion of this offering. The pro forma net tangible book value of our common stock at December 31, 2017 was $130.1 million, or $3.11 per share. Pro forma net tangible book value per share represents our total tangible assets less our total liabilities, divided by the number of outstanding shares of our Class A and Class B common stock, after giving effect to the Reclassification, pursuant to which all 1,654,426 shares of our common stock will be reclassified into 41,691,537 shares of our Class B common stock and the authorization of our Class A common stock.

After giving effect to (i) the sale of 6,750,000 shares of our Class A common stock by us in this offering at an assumed initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus) and our receipt of an estimated $94.7 million of net proceeds from this offering after deducting estimated underwriting discounts and commissions and offering expenses payable by us and (ii) the reclassification of 4,500,000 shares of our Class B common stock to a like amount of our Class A common stock upon the sale of such shares by the selling stockholders in this offering, our pro forma as adjusted net tangible book value at December 31, 2017, would have been $224.8 million, or $4.64 per share. This represents an immediate increase in net tangible book value of $1.53 per share of our common stock to our existing stockholders and an immediate dilution of $11.36 per share to purchasers of our Class A common stock in this offering.

The following table illustrates the per share dilution:

Assumed initial public offering price per share of Class A common stock		$16.00
Pro forma net tangible book value per common share at December 31, 2017	$3.11	
Increase in pro forma net tangible book value per common share attributable to new investors in this offering	$1.53	
Pro forma as adjusted net tangible book value per Class A common share after this offering		$ 4.64
Dilution in net tangible book value per Class A common share to new investors in this offering		$11.36

A $1.00 increase or decrease in the assumed initial public offering price per share of our Class A common stock would increase or decrease our pro forma as adjusted net tangible book value after the completion of this offering by approximately $6.3 million, and increase or decrease the dilution to purchasers in this offering by approximately $0.13 per share, assuming the number of shares of our Class A common stock offered by us remains the same and after deducting estimated underwriting discounts and commissions and offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares of our Class A common stock from the selling stockholders in full, the number of shares held by purchasers of our Class A common stock in this offering will be increased to 12,937,500, or approximately 26.6% of the total number of outstanding shares of our common stock. The exercise of such option will not impact the pro forma as adjusted net tangible book value or the dilution to purchasers in this offering, because the selling stockholders will be providing such shares and we will not receive any proceeds from such sale.

A 10% increase in the percentage of shares sold by the Company in this offering and a 10% decrease in the percentage of shares sold by the selling stockholders in this offering would decrease the dilution to purchasers in this offering by approximately $0.20 to $0.23 per share, depending on the offering price.

The following table summarizes, at December 31, 2017, on the pro forma as adjusted basis described above, the difference between the total cash consideration paid and the average price per share paid by existing stockholders

and the purchasers of our Class A common stock in this offering with respect to the number of shares of our Class A common stock purchased from us, before deducting estimated underwriting discounts and commissions and offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	41,691,537	86.1%	$142,430,000	56.9%	$ 3.42
Purchasers of Class A common stock in this offering	6,750,000	13.9%	108,000,000	43.1%	16.00
Total	48,441,537	100.0%	$250,430,000	100.0%	$ 5.17

The total number of shares of our common stock reflected in the discussion and tables above is based on no shares of our Class A common stock and 41,691,537 shares of our Class B common stock outstanding at December 31, 2017 after giving effect to the Reclassification, and excludes:

- 843,576 shares of Class B common stock issuable upon the exercise of outstandingnon-plan stock options at December 31, 2017 with a weighted-average exercise price of $5.70 per share and 126,000 restricted shares of Class B common stock issued in February 2018, after giving effect to the Reclassification. There were no options outstanding under the Construction Partners, Inc. 2016 Equity Incentive Plan as of December 31, 2017.
- 2,000,000 shares of our Class A common stock reserved for future issuance under the Construction Partners, Inc. 2018 Equity Incentive Plan, which will become effective prior to the completion of this offering, including any reversion of shares to the available pool of shares reserved for issuance under such plan upon the expiration, forfeiture or cash settlement of awards without the actual delivery of shares of our Class A common stock.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables present our selected historical consolidated financial data for the periods and at the dates indicated. The statement of income data and statement of cash flows data for the fiscal years ended September 30, 2016 and September 30, 2017 and the balance sheet data at September 30, 2016 and September 30, 2017 are derived from our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. The statement of income data and statement of cash flows data for the three months ended December 31, 2016 and December 31, 2017 and the balance sheet data at December 31, 2017 are derived from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared our unaudited consolidated financial statements on the same basis as our audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to present fairly the financial information set forth in those statements. The results for any interim period are not necessarily indicative of the results that may be expected for the full year and our historical unaudited results are not necessarily indicative of the results that should be expected in any future period.

The data presented below should be read in conjunction with, and are qualified in their entirety by reference to, "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Statement of Income Data:				
Revenues	$ 122,120	$ 150,421	$ 542,347	$ 568,212
Cost of revenues	103,391	127,623	467,464	477,241
Gross profit	18,729	22,798	74,883	90,971
General and administrative expenses	(10,563)	(12,426)	(40,428)	(47,867)
Gain on sale of equipment, net	254	145	2,997	3,481
Operating income	8,420	10,517	37,452	46,585
Interest expense, net	(1,047)	(297)	(4,662)	(3,960)
Loss on extinguishment of debt	—	—	—	(1,638)
Other expense	(26)	(21)	(227)	(205)
Income before provision (benefit) for income taxes	7,347	10,199	32,563	40,782
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:				
Basic and diluted	$ 0.11	$ 0.26	$ 0.51	$ 0.63
Weighted average number of common shares outstanding:				
Basic and diluted	41,502,490	41,691,541	43,009,120	41,550,293

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Other Financial Data:				
Adjusted EBITDA(1)	$ 14,009	$ 16,511	$ 60,283	$ 69,274
Revenues	122,120	150,421	542,347	568,212
Adjusted EBITDA Margin(1)	11.5%	11.0%	11.1%	12.2%
Statement of Cash Flows Data:				
Net cash provided by operating activities	$ 18,767	$ 19,490	$ 51,694	$ 46,927
Net cash used in investing activities	$ (7,278)	$ (9,318)	$ (19,005)	$ (30,686)
Net cash used in financing activities	$ (2,810)	$ (7,500)	$ (20,881)	$ (39,779)

	September 30,		December 31,
	2016	2017	2017
(in thousands)			
Balance Sheet Data:			
Cash	$ 51,085	$ 27,547	$ 30,219
Total assets	318,282	328,550	315,925
Current and non-current portions of debt, net of deferred debt issuance costs	60,962	57,136	49,655
Total equity	156,283	152,181	163,177

(1) Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense, loss on extinguishment of debt and certain management fees and expenses. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin because management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly named measures reported by other companies. Potential differences between our measure of Adjusted EBITDA compared to other similar companies' measures of Adjusted EBITDA may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for each of the periods presented.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)	(unaudited)	(unaudited)		
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Interest expense, net	1,047	297	4,662	3,960
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Depreciation, depletion and amortization of long-lived assets	5,222	5,675	21,530	21,072
Equity-based compensation expense	82	—	217	513
Loss on extinguishment of debt	—	—	—	1,638
Management fees and expenses(1)	311	340	1,311	1,309
Adjusted EBITDA	$ 14,009	$ 16,511	$ 60,283	$ 69,274
Revenues	$122,120	$150,421	$542,347	$568,212
Adjusted EBITDA Margin	11.5%	11.0%	11.1%	12.2%

(1) Reflects fees and reimbursement of certain travel expenses under a management services agreement with SunTx.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to assist in understanding and assessing the trends and significant changes in our results of operations and financial condition. Historical results may not be indicative of future performance. This discussion includes forward-looking statements that reflect our plans, estimates and beliefs. Such statements involve risks and uncertainties. Our actual results may differ materially from those contemplated by these forward-looking statements as result of various factors, including those set forth in "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." This discussion should be read in conjunction with "Prospectus Summary—Summary Consolidated Historical Financial Data," "Selected Historical Consolidated Financial Data" and our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. In this discussion, we use certain non-GAAP financial measures. Explanation of these non-GAAP financial measures and reconciliation to the most directly comparable GAAP financial measures are included in this Management's Discussion and Analysis of Financial Condition and Results of Operations as well as "Prospectus Summary—Summary Historical Consolidated Financial Data." Investors should not consider non-GAAP financial measures in isolation or as substitutes for financial information presented in compliance with GAAP.

Overview

We are one of the fastest growing civil infrastructure companies in the United States specializing in the building and maintenance of transportation networks. Our operations leverage a highly skilled workforce, strategically located HMA plants, substantial construction assets and select material deposits. We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports and commercial and residential sites in the Southeastern United States.

Public infrastructure projects are funded by federal, state and local governments and include projects for roads, highways, bridges, airports and other infrastructure projects. Public transportation infrastructure projects historically have been a relatively stable portion of state and federal budgets, and represent a significant share of the U.S. construction market. Federal funds are allocated on a state-by-state basis and each state is required to match a portion of the federal funds they receive. Federal highway spending uses funds predominantly from the Highway Trust Fund, which derives its revenues from fuel taxes and other user fees.

In addition to public infrastructure projects, we provide a wide range of large sitework construction and HMA paving services to private construction customers, including commercial and residential developers and local businesses.

How We Assess Performance of Our Business

Revenues

We derive our revenues predominantly by providing construction products and services for both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports and commercial and residential sites. Our projects represent a mix of federal, state, municipal and private customers. We also derive revenues from the sale of HMA and aggregates to customers. Revenues derived from projects are recognized on the percentage-of-completion basis, measured by the relationship of total cost incurred to total estimated contract costs (cost-to-cost method). Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in revisions to estimated

costs and income, and are recognized in the period in which the revisions are determined. Revenues derived from the sale of HMA and aggregates are recognized when risks associated with ownership have passed to the customer.

Gross Profit

Gross profit represents revenues less cost of revenues. Cost of revenues consists of all direct and indirect costs on construction contracts, including raw materials, labor, equipment costs, depreciation, lease expenses, subcontract costs and other expenses at our HMA plants and aggregate mining facilities. Our cost of revenues is directly affected by fluctuations in commodity prices, primarily liquid asphalt and diesel fuel. From time to time, when appropriate, we limit our exposure to changes in commodity prices by entering into forward purchase commitments. In addition, our public infrastructure contracts often include provisions that provide for price adjustments based on fluctuations in certain commodity-related products costs. These price adjustment provisions are in place for most of our public infrastructure contracts, and we seek to include similar provisions in our private contracts.

Depreciation, Depletion and Amortization

We carry property, plant and equipment on our balance sheet at cost, net of accumulated depreciation, depletion and amortization. Depreciation on property, plant and equipment is computed on a straight-line basis over the estimated useful life of the asset. Amortization expense is the periodic expense related to leasehold improvements and intangible assets. Leasehold improvements are amortized over the lesser of the life of the underlying asset or the remaining lease term. Our intangible assets were recognized as result of certain acquisitions and are generally amortized on a straight-line basis over the estimated useful lives of the assets. Quarry reserves are depleted in accordance with the units-of-production method as aggregate is extracted, using the initial allocation of cost based on proven and probable reserves.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and personnel costs for our administration, finance and accounting, legal, information systems, human resources and certain managerial employees. Additional expenses include audit, consulting and professional fees, travel, insurance, office space rental costs, property taxes and other corporate and overhead expenses.

Gain on Sale of Equipment, net

In the normal course of business, we sell construction equipment for various reasons, including when the cost of maintaining the asset exceeds the cost of replacing it. The gain or loss on sale of equipment reflects the difference between the carrying value at the date of disposal and the net consideration received from the sale of equipment during the period.

Interest Expense, net

Interest expense, net primarily represents interest incurred on our long-term debt, such as the Term Loan and the Revolving Credit Facility, as well as the cost of interest swap agreements and amortization of deferred debt issuance costs. These amounts are partially offset by interest income earned on short-term investments of cash balances in excess of our current operating needs.

Other Key Performance Indicators

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense, loss on extinguishment of debt and certain management fees and expenses. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin as management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly named measures reported by other companies. Potential differences between our measure of Adjusted EBITDA compared to other similar companies' measures of Adjusted EBITDA may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for each of the periods presented.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)	(unaudited)	(unaudited)		
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Interest expense, net	1,047	297	4,662	3,960
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Depreciation, depletion and amortization of long-lived assets	5,222	5,675	21,530	21,072
Equity-based compensation expense	82	—	217	513
Loss on extinguishment of debt	—	—	—	1,638
Management fees and expenses[1]	311	340	1,311	1,309
Adjusted EBITDA	$ 14,009	$ 16,511	$ 60,283	$ 69,274
Revenues	$122,120	$150,421	$542,347	$568,212
Adjusted EBITDA Margin	11.5%	11.0%	11.1%	12.2%

(1) Reflects fees and reimbursement of certain travel expenses under a management services agreement with SunTx.

Results of Operations

Three Months Ended December 31, 2016 Compared to Three Months Ended December 31, 2017

The following table sets forth selected financial data for the three months ended December 31, 2016 and December 31, 2017:

	For the Three Months Ended December 31,				Change from Three Months Ended December 31, 2016 to Three Months Ended December 31, 2017	
	2016		2017			
	Dollars	% of Revenues	Dollars	% of Revenues	$ Change	% Change
(in thousands)						
Revenues	$122,120	100.0	$150,421	100.0	$28,301	23.2
Cost of revenues	103,391	84.7	127,623	84.8	24,232	23.4
Gross profit	18,729	15.3	22,798	15.2	4,069	21.7
General and administrative expenses	(10,563)	(8.6)	(12,426)	(8.3)	(1,863)	17.6
Gain on sale of equipment, net	254	0.2	145	0.1	(109)	(42.9)
Operating income	8,420	6.9	10,517	7.0	2,097	24.9
Interest expense, net	(1,047)	(0.9)	(297)	(0.2)	750	(71.6)
Other expense	(26)	0.0	(21)	0.0	5	(19.2)
Income before provision (benefit) for income taxes	7,347	6.0	10,199	6.8	2,852	38.8
Provision (benefit) for income taxes	2,786	2.3	(797)	(0.5)	(3,583)	(128.6)
Net income	$ 4,561	3.7	$ 10,996	7.3	$ 6,435	141.1
Adjusted EBITDA	$ 14,009	11.5	$ 16,511	11.0	$ 2,502	17.9

Revenues. Revenues for the three months ended December 31, 2017 increased $28.3 million, or 23.2%, to $150.4 million from $122.1 million for the three months ended December 31, 2016. The increase in revenues was primarily due to a $185.8 million higher backlog of work at the beginning of the quarter ended December 31, 2017 compared to the beginning of the quarter ended December 31, 2016, resulting in an approximate 7.1% increase in the average number of employees during the three months ended December 31, 2017 compared to the three months ended December 31, 2016 to perform the work of that additional backlog. We also realized an increase in revenue generated per employee, reflecting both increased production per employee and the pass-through of increased labor, material and equipment costs to our customers.

Gross Profit. Gross profit for the three months ended December 31, 2017 increased $4.1 million, or 21.7%, to $22.8 million from $18.7 million for the three months ended December 31, 2016. The increase in gross profit was a result of increased revenues, as discussed above. As a percentage of revenues, cost of revenues remained generally consistent at 84.8% for the three months ended December 31, 2017 and 84.7% for the three months ended December 31, 2016.

General and Administrative Expenses. General and administrative expenses include costs related to our operational offices that are not allocated to direct contract costs and expenses related to our corporate offices. General and administrative expenses for the three months ended December 31, 2017 increased $1.9 million to $12.4 million from $10.6 million for the three months ended December 31, 2016. As a percentage of revenues,

general and administrative expenses decreased to 8.3% for the three months ended December 31, 2017 from 8.6% for the three months ended December 31, 2016. The increase in general and administrative expenses for the three months ended December 31, 2017 was attributable to a $1.8 million increase in payroll and benefit costs associated primarily with additional management personnel to support additional organic growth and operating improvement initiatives, as well as a $0.1 million increase in other general expenses to support our growth. We expect general and administrative expenses to continue to increase in fiscal 2018 as a result of increased regulatory and public entity reporting requirements.

Interest Expense, Net. Interest expense, net for the three months ended December 31, 2017 decreased $0.8 million, or 71.6%, to $0.3 million compared to $1.1 million for the three months ended December 31, 2016. The decrease in interest expense, net was due to a decrease in the average principal outstanding to $53.8 million during the three months ended December 31, 2017 compared to $61.8 million during the three months ended December 31, 2016, a $0.2 million decrease in amortization of deferred debt issuance costs for those same periods, a reduction in our interest rate resulting from our debt refinancing on June 30, 2017, and a $0.2 million credit to interest expense during the three months ended December 31, 2017 as a result of the change in the fair value of the interest rate swap agreement discussed below. Our CIT Credit Facility (as defined below) in place during the three months ended December 31, 2016 was a variable rate facility based on the three-month LIBOR rate plus 3.5%. “CIT Credit Facility” refers to the credit agreement that we entered into on December 12, 2014 with a consortium of six financial institutions represented by CIT Finance LLC, which provided for a $76.0 million facility consisting of a $49.0 million term loan and capacity for additional borrowings of $27.0 million to finance future purchases of certain fixed assets. On June 30, 2017, we refinanced all of our outstanding debt under the CIT Credit Facility with proceeds from the Compass Credit Agreement. The Compass Credit Agreement is a variable rate facility based on the one-month LIBOR rate plus 2.0%, thereby reducing our interest costs during the three months ended December 31, 2017 compared to the three months ended December 31, 2016. The Compass Credit Agreement also replaced some higher fixed rate facilities. To hedge against future changes in variable interest rates of the Compass Credit Agreement, on June 30, 2017, we entered into an amortizing $25.0 million interest rate swap agreement tied to the Term Loan.

Provision (benefit) for Income Taxes. We recognized an income tax benefit of $0.8 million for the three months ended December 31, 2017 compared to an income tax expense of $2.8 million for the three months ended December 31, 2016. This change primarily reflects the impacts of comprehensive tax legislation enacted by the U.S. government on December 22, 2017, known as the Tax Cuts and Jobs Act (the “Tax Act”). The Tax Act includes broad and complex changes to the U.S. tax code, including a reduction in the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. Accordingly, the effective tax rate for the three months ended December 31, 2017 reflects a federal income tax provision based on a blended U.S. statutory tax rate of 24.5% applicable to the full year ending September 30, 2018, which is calculated based on a proration of the applicable tax rates before and after the effective date of the Tax Act during the fiscal year. For the three months ended December 31, 2017, we recorded a $3.5 million credit to the income tax provision to recognize the cumulative effect on net deferred tax liabilities resulting from the enactment of the Tax Act. The effective tax rate for the three months ended December 31, 2016 reflects the federal statutory rate of 35.0%.

Net Income. Net income increased $6.4 million, or 141.1%, to $11.0 million for the three months ended December 31, 2017 compared to $4.6 million for the three months ended December 31, 2016. This increase in net income was a result of increased gross profit, a decrease in interest expense, and the favorable impacts on the provision (benefit) for income taxes resulting from the Tax Act, partially offset by the increase in general and administrative expenses, all as described above.

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and Adjusted EBITDA Margin were $16.5 million and 11.0%, respectively, for the three months ended December 31, 2017, as compared to

$14.0 million and 11.5%, respectively, for the three months ended December 31, 2016. The 17.9% increase in Adjusted EBITDA was the result of increased net income, partially offset by the decrease in interest expense and the favorable impacts on income tax expense resulting from the Tax Act, as discussed above. See the description of Adjusted EBITDA and Adjusted EBITDA Margin, as well as a reconciliation of Adjusted EBITDA to net income under "How We Assess Performance of Our Business".

Fiscal Year Ended September 30, 2016 Compared to Fiscal Year Ended September 30, 2017

The following table sets forth selected financial data for the fiscal years ended September 30, 2016 and September 30, 2017:

	For the Fiscal Years Ended September 30,				Change from Fiscal Year 2016 to Fiscal Year 2017	
	2016		2017			
	Dollars	% of Revenues	Dollars	% of Revenues	$ Change	% Change
(in thousands)						
Revenues	$542,347	100.0	$568,212	100.0	$25,865	4.8
Cost of revenues	467,464	86.2	477,241	84.0	9,777	2.1
Gross profit	74,883	13.8	90,971	16.0	16,088	21.5
General and administrative expenses	(40,428)	(7.5)	(47,867)	(8.4)	(7,439)	18.4
Gain on sale of equipment, net	2,997	0.6	3,481	0.6	484	16.1
Operating income	37,452	6.9	46,585	8.2	9,133	24.4
Interest expense, net	(4,662)	(0.9)	(3,960)	(0.7)	702	(15.1)
Loss on extinguishment of debt	—	—	(1,638)	(0.3)	(1,638)	—
Other expense	(227)	—	(205)	—	22	(9.7)
Income before provision for income taxes	32,563	6.0	40,782	7.2	8,219	25.2
Provision for income taxes	10,541	1.9	14,742	2.6	4,201	39.9
Net income	$ 22,022	4.1	$ 26,040	4.6	$ 4,018	18.2
Adjusted EBITDA	$ 60,283	11.1	$ 69,274	12.2	$ 8,991	14.9

Revenues. Revenues for the fiscal year ended September 30, 2017 increased $25.9 million, or 4.8%, to $568.2 million from $542.3 million for the fiscal year ended September 30, 2016. The increase in revenues was primarily due to our strong contract backlog and an increasing opportunity to bid both public and private projects in most of our markets. Our contract backlog increased $185.8 million during fiscal 2017. Adverse weather conditions, primarily during the third quarter of our fiscal year, prevented us from completing approximately $19.5 million of the work scheduled during the third quarter. However, these projects remain in our contract backlog and are expected to be completed during future periods.

Gross Profit. Gross profit for the fiscal year ended September 30, 2017 increased $16.1 million, or 21.5%, to $91.0 million from $74.9 million for the fiscal year ended September 30, 2016. The increase in gross profit was a result of increased revenues, as discussed above, coupled with an improvement in our gross profit margin, driven by improvements in our cost of revenues. As a percentage of revenues, cost of revenues decreased to 84.0% for the fiscal year ended September 30, 2017 from 86.2% for the fiscal year ended September 30, 2016. This improvement was a result of completing projects that were in process at September 30, 2016. We recorded a net increase in revenues and gross profit of $4.6 million during the fiscal year ended September 30, 2017 on contracts

in progress at September 30, 2016, as compared to recording a net decrease in revenues and gross profit of $2.8 million during the fiscal year ended September 30, 2016 on contracts in progress at September 30, 2015. In addition, other projects in our contract backlog were executed more efficiently during the fiscal year ended September 30, 2017 than comparable projects completed during the fiscal year ended September 30, 2016 due to more timely access to project cost metrics provided by improvements in our information technology, and to additions during the fiscal year ended September 30, 2017 to our operational management teams as part of our operating improvement initiatives.

General and Administrative Expenses. General and administrative expenses include costs related to our operational offices that are not allocated to direct contract costs and expenses related to our corporate offices. General and administrative expenses for the fiscal year ended September 30, 2017 increased $7.4 million, or 18.4%, to $47.9 million for the fiscal year ended September 30, 2017 from $40.4 million for the fiscal year ended September 30, 2016. The increase in general and administrative expenses for the fiscal year ended September 30, 2017 was attributable to a $5.2 million increase in payroll and benefit costs associated primarily with additional management personnel to support additional organic growth and operating improvement initiatives, a $1.0 million increase in travel and professional expenses and a $0.4 million increase in expenses to enhance our information technology platforms, as well as increases in other general expenses to support our growth. We expect general and administrative expenses to continue to increase in fiscal 2018 as a result of increased regulatory and public entity reporting requirements.

Interest Expense, Net. Interest expense, net for the fiscal year ended September 30, 2017 decreased $0.7 million, or 15.1%, to $4.0 million compared to $4.7 million for the fiscal year ended September 30, 2016. The decrease in interest expense, net was due to a decrease in the average principal outstanding of $60.4 million during the fiscal year ended September 30, 2017 compared to $72.3 million during the fiscal year ended September 30, 2016, and a lower amortization of deferred debt issuance costs of $0.7 million compared to $0.9 million during the same periods. This reduction in principal was partially offset by rising interest rates on our credit facilities with variable interest rates prior to the refinancing on June 30, 2017. Our CIT Credit Facility in place during the fiscal year ended September 30, 2016 and the first nine months of the fiscal year ended September 30, 2017 was a variable rate facility based on the three-month LIBOR rate plus 3.5%. During the first nine months of the fiscal year ended September 30, 2017, increases in the three-month LIBOR rate compared to rates during the fiscal year ended September 30, 2016 resulted in increased interest expense incurred on outstanding balances under the CIT Credit Facility. On June 30, 2017, we refinanced all of our outstanding debt under the CIT Credit Facility with proceeds from the Compass Credit Agreement. The Compass Credit Agreement is a variable rate facility based on the one-month LIBOR rate plus 2.0%, thereby reducing our interest costs during the last three months of the fiscal year ended September 30, 2017. The Compass Credit Agreement also replaced some higher fixed rate facilities. To hedge against future changes in variable interest rates of the Compass Credit Agreement, on June 30, 2017, we entered into an amortizing $25.0 million interest rate swap agreement tied to the Term Loan.

Loss on Extinguishment of Debt. Loss on extinguishment of debt for the fiscal year ended September 30, 2017 was $1.6 million compared to $0 for the fiscal year ended September 30, 2016, which was the result of the unamortized deferred debt issuance costs of $1.6 million related to the CIT Credit Facility and other debt refinanced at June 30, 2017 that was expensed as a loss on extinguishment of debt.

Provision for Income Taxes. Our effective tax rate increased to 36.1% for the fiscal year ended September 30, 2017 from 32.4% for the fiscal year ended September 30, 2016. Our lower effective tax rate for the fiscal year ended September 30, 2016 was primarily due to the $2.1 million reversal of a state tax valuation allowance during the fiscal year. In addition, our taxable income for the fiscal year ended September 30, 2017 was subject to the maximum U. S. statutory income tax rate of 35.0%, compared to 34.0% for the fiscal year ended September 30, 2016.

Net Income. Net income increased $4.0 million, or 18.2%, to $26.0 million for the fiscal year ended September 30, 2017 compared to $22.0 million for the fiscal year ended September 30, 2016. This increase in net income was a result of increased gross profit, partially offset by the increase in general and administrative expenses and the higher effective income tax rate, all as described above, and a $1.6 million loss on extinguishment of debt related to the June 30, 2017 debt refinancing.

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and Adjusted EBITDA Margin were $69.3 million and 12.2%, respectively, for the fiscal year ended September 30, 2017, as compared to $60.3 million and 11.1%, respectively, for the fiscal year ended September 30, 2016. The increase in Adjusted EBITDA and Adjusted EBITDA Margin was the result of increased gross profit, offset by the increase in general and administrative expenses discussed above. See the description of Adjusted EBITDA and Adjusted EBITDA Margin, as well as a reconciliation of Adjusted EBITDA to net income under "How We Assess Performance of Our Business".

Liquidity and Capital Resources

Cash Flows Analysis

The following table sets forth our cash flows for the periods indicated.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)				
Net cash provided by operating activities	$18,767	$19,490	$ 51,694	$ 46,927
Net cash used in investing activities	(7,278)	(9,318)	(19,005)	(30,686)
Net cash used in financing activities	(2,810)	(7,500)	(20,881)	(39,779)
Net change in cash	$ 8,679	$ 2,672	$ 11,808	$(23,538)

Operating Activities

Cash provided by operating activities was $19.5 million for the three months ended December 31, 2017, an increase of $0.7 million compared to $18.8 million for the three months ended December 31, 2016. The most significant factors were an increase in net income of $6.4 million offset by a decreased change in contracts receivable including retainage of $5.5 million. This difference in the change in contracts receivable including retainage, as well as less significant changes in other operating assets and liabilities, were associated with fluctuations resulting from the $28.3 million of additional revenue and the timing of performing and closing projects. Our working capital results from both public and private sector projects. Customers in the private sector can be slower in paying and those contracts often contain retention provisions that allow the customer to withhold a percentage of the revenues earned until the completion of the project.

Cash provided by operating activities was $46.9 million for the fiscal year ended September 30, 2017, a decrease of $4.8 million compared to $51.7 million for the fiscal year ended September 30, 2016. The decrease was primarily due to a $10.0 million increase in the income taxes paid during the fiscal year ended September 30, 2017 compared to the fiscal year ended September 30, 2016, partially offset by a $4.0 million increase in net income. This decrease in cash provided by operating activities also included other changes in operating assets and liabilities. These other changes were associated with fluctuations resulting from the timing of performing and closing projects. Our working capital results from both public and private sector projects. Customers in the private

sector can be slower in paying and those contracts often contain retention provisions that allow the customer to withhold a percentage of the revenues earned until the completion of the project.

Investing Activities

Cash used in investing activities was $9.3 million for the three months ended December 31, 2017 compared to $7.3 million for the three months ended December 31, 2016. The increase was primarily due to an increase in purchases of property, plant and equipment during the three months ended December 31, 2017 to support the continuing growth of the Company.

Cash used in investing activities was $30.7 million for the fiscal year ended September 30, 2017 compared to $19.0 million for the fiscal year ended September 30, 2016. The increase was primarily due to $10.8 million being used in the acquisition of a business during the fiscal year ended September 30, 2017.

Financing Activities

Cash used in financing activities was $7.5 million for the three months ended December 31, 2017 compared to $2.8 million for the three months ended December 31, 2016. The increase was primarily due to repayment of our Revolving Credit Facility of $5.0 million during the three months ended December 31, 2017. There was no activity under our Revolving Credit Facility during the three months ended December 31, 2016.

Cash used in financing activities was $39.8 million for the fiscal year ended September 30, 2017 compared to $20.9 million for the fiscal year ended September 30, 2016. The increase was primarily due to the payment of a $31.3 million dividend during the fiscal year ended September 30, 2017. The increase was partially offset by a net repayment under our credit facilities of $6.1 million during the fiscal year ended September 30, 2017 compared to net repayments of $18.1 million during the fiscal year ended September 30, 2016.

Compass Credit Agreement

On June 30, 2017, Construction Partners Holdings, our wholly owned subsidiary, entered into the Compass Credit Agreement with Compass Bank, as agent (the “Agent”), sole lead arranger and sole bookrunner. The Compass Credit Agreement provides for a $50.0 million Term Loan and a $30.0 million Revolving Credit Facility. The principal amount of the Term Loan must be paid in quarterly installments of $2.5 million. All amounts borrowed under the Compass Credit Agreement mature on July 1, 2022.

Construction Partners Holdings’ obligations under the Compass Credit Agreement are guaranteed by the Company and all of Construction Partners Holdings’ direct and indirect subsidiaries and are secured by first priority security interests in substantially all of the Company’s assets.

Under the Compass Credit Agreement, borrowings can be designated as base rate loans or Euro-Dollar Loans. The interest rate on base rate loans fluctuates and is equal to (i) the highest of: (a) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its “prime rate,” (b) the federal funds rate plus 0.50% and (c) the quotient of the London interbank offered rate for deposits in U.S. dollars as obtained from Reuter’s, Bloomberg or another commercially available source designated by the Agent two Euro-Dollar Business Days (as defined in the Compass Credit Agreement) before the first day of the applicable interest period (“LIBOR”) divided by 1.00 minus the Euro-Dollar Reserve Percentage (as defined in the Compass Credit Agreement) plus 1.0% for a one-month interest period, plus (ii) the applicable rate, which ranges from 2.0% to 2.25%. The interest rate for Euro-Dollar loans fluctuates and is equal to the sum of the applicable rate, which ranges from 2.0% to 2.25%, plus LIBOR for the interest period selected by the Agent.

At December 31, 2017 and September 30, 2017, the interest rate on outstanding borrowings under the Term Loan and Revolving Credit Facility was 3.569% and 3.235%, respectively. At December 31, 2017 and September 30, 2017, we had availability of $25.0 million and $20.0 million, respectively, under the Revolving Credit Facility. In order to hedge against changes in interest rates, on June 30, 2017, we entered into an amortizing $25.0 million interest rate swap agreement applicable to outstanding debt under the Term Loan, under which we pay a fixed percentage rate of 2.015% and receive a credit based on the applicable LIBOR rate. At December 31, 2017 and September 30, 2017, the notional value of this interest rate swap agreement was $22.5 million and $23.75 million, respectively, and the fair value was $(0.001) million and $(0.2) million, respectively, which is included within other liabilities on our Consolidated Balance Sheets.

We must pay a commitment fee of 0.35% per annum on the aggregate unused revolving commitments under the Compass Credit Agreement. We also must pay fees with respect to any letters of credit issued under the Compass Credit Agreement.

The Compass Credit Agreement contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on our ability to make acquisitions, make loans or advances, make capital expenditures and investments, create or incur indebtedness, create liens, wind up or dissolve, consolidate, merge or liquidate, or sell, transfer or dispose of assets. The Compass Credit Agreement requires us to satisfy certain financial covenants, including a minimum fixed charge coverage ratio of 1.20 to 1.00. At December 31, 2017 and September 30, 2017, our fixed charge ratio was 1.72 to 1.00 and 1.63 to 1.00, respectively. The Compass Credit Agreement also requires us to maintain a consolidated leverage ratio not to exceed 2.00 to 1.00, subject to certain adjustments as further described in the Compass Credit Agreement. At December 31, 2017 and September 30, 2017, our consolidated leverage ratio was 0.86 to 1.00 and 0.95 to 1.00, respectively. The Compass Credit Agreement includes customary events of default, including, among other things, payment default, covenant default, breach of representation or warranty, bankruptcy, cross-default, material ERISA events, certain changes of control, material money judgments and failure to maintain subsidiary guarantees. The Compass Credit Agreement prevents us from paying dividends or otherwise distributing cash to our stockholders unless, after giving effect to such dividend, we would be in compliance with the financial covenants and, at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend.

At December 31, 2017 and September 30, 2017, we were in compliance with all covenants under the Compass Credit Agreement.

Capital Requirements and Sources of Liquidity

During the three months ended December 31, 2016 and December 31, 2017, our capital expenditures were approximately $7.6 million and $9.5 million, respectively. During the fiscal years ended September 30, 2016 and September 30, 2017, our capital expenditures were approximately $24.9 million and $24.4 million, respectively.

Historically, we have had significant cash requirements in order to organically expand our business into new geographic markets. Our cash requirements include costs related to increased capital expenditures, purchase of materials and production of materials and cash to fund our organic expansion into new markets. Our working capital needs are driven by the seasonality and growth of our business, with our cash requirements greater in periods of growth. Additional cash requirements resulting from our growth include the costs of additional personnel, production and distribution facilities, enhancing our information systems and, in the future, our integration of any acquisitions and our compliance with laws and rules applicable to being a public company. Following the completion of this offering, our primary uses of cash will be investing in property and equipment used to provide our services and funding organic and acquisitive growth initiatives.

We have historically relied upon cash available through credit facilities, in addition to cash from operations, to finance our working capital requirements and to support our growth. At each of December 31, 2017 and

September 30, 2017, we had availability of $25.0 million and $20.0 million, respectively, under the Revolving Credit Facility. We regularly monitor potential capital sources, including equity and debt financings, in an effort to meet our planned capital expenditures and liquidity requirements. Our future success will be highly dependent on our ability to access outside sources of capital.

We believe that our operating cash flow and available borrowings under the Revolving Credit Facility are sufficient to fund our operations for at least the next twelve months. However, future cash flows are subject to a number of variables, and significant additional capital expenditures will be required to conduct our operations. There can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain planned or future levels of capital expenditures. In the event we make one or more acquisitions and the amount of capital required is greater than the amount we have available for acquisitions at that time, we could be required to reduce the expected level of capital expenditures and/or seek additional capital. If we seek additional capital, we may do so through borrowings under the Revolving Credit Facility, joint ventures, asset sales, offerings of debt or equity securities or other means. We cannot guarantee that this additional capital will be available on acceptable terms or at all. If we are unable to obtain the funds we need, we may not be able to complete acquisitions that may be favorable to us or finance the capital expenditures necessary to conduct our operations.

Contractual Obligations

The following table presents our obligations and commitments to make future payments under contracts and contingent commitments at September 30, 2017:

		Payments Due by Period			
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
(in thousands)					
Long-term debt obligations:					
Principal payment obligations	$57,500	$10,000	$20,000	$27,500	$—
Interest expense on long-term debt(1)	5,925	1,936	2,772	1,217	—
Operating lease obligations(2)	22,237	8,876	10,997	2,364	—
Purchase obligations(3)	5,136	3,403	1,733	—	—
Other(4)	3,138	2,569	569	—	—
Total	$93,936	$26,784	$36,071	$31,081	$—

(1) Assumes that the interest rate of 3.235% in effect on the long-term debt obligations at September 30, 2017 will remain constant until maturity, and includes an effective interest rate of 0.78% applicable to the $25.0 million interest rate swap agreement.

(2) Operating leases related to property and equipment, with terms ranging from one to five years.

(3) Includes agreements for future purchase of fuel, natural gas, liquid asphalt cement and aggregates.

(4) Reflects installment payments in connection with an agreement to repurchase shares of our common stock. See Note 11 to our audited consolidated financial statements included elsewhere in this prospectus.

Critical Accounting Policies and Estimates

The discussion of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements

requires us to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. We evaluate our estimates and assumptions on an ongoing basis. The results of our analysis form the basis for making assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and the impact of such differences may be material to our consolidated financial statements.

Critical accounting policies are those policies that, in management's view, are most important in the portrayal of our financial condition and results of operations. The notes to the consolidated financial statements also include disclosure of significant accounting policies. The methods, estimates and judgments that we use in applying our accounting policies have a significant impact on the results that we report in our financial statements. These critical accounting policies require us to make difficult and subjective judgments, often as a result of the need to make estimates regarding matters that are inherently uncertain. Our most critical accounting policies and estimates include those involved in the recognition of revenues and provision for income tax expense. Those critical accounting policies and estimates that require the most significant judgment are discussed further below.

Revenue Recognition

The majority of our construction contracts are fixed unit price contracts. From time to time, we also enter into cost plus contracts and fixed total price contracts. Under fixed unit price contracts, we are committed to providing materials or services required by a contract at fixed unit prices (for example, dollars per ton of asphalt placed). Revenues from these construction contracts are recognized using the percentage-of-completion accounting method. Under this method, revenues are recognized as costs are incurred in an amount equal to cost plus the related expected profit based on the ratio of costs incurred to estimated final costs. This cost-to-cost measure is used because management considers it to be the best available measure of progress on these contracts. Contract costs consist of direct costs on contracts, including labor, materials, amounts payable to subcontractors and those indirect costs related to contract performance, such as equipment costs, insurance and employee benefits. Contract cost is recorded as incurred, and revisions in contract revenues and cost estimates are reflected in the accounting period when known. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those changes arising from contract change orders, penalty provisions and final contract settlements may result in revisions to costs and income and are recognized in the period in which the revisions are determined.

Change orders are modifications of an original contract that effectively change the existing provisions of the contract without adding new provisions or terms. Change orders may include changes in specifications or designs, manner of performance, facilities, equipment, materials, sites and period of completion of the work. Either we or our customers may initiate change orders. We consider unapproved change orders to be contract variations for which we have a change of scope for which we believe we are contractually entitled to additional price, but where a price change associated with the scope change has not yet been agreed upon with the customer. Costs associated with unapproved change orders are included in the estimated cost to complete the contracts and are treated as project costs as incurred. We recognize revenues equal to costs incurred on unapproved change orders when realization of price approval is probable. Unapproved change orders involve the use of estimates, and it is reasonably possible that revisions to the estimated costs and recoverable amounts may be required in future reporting periods to reflect changes in estimates or final agreements with customers. Change orders that are unapproved as to both price and scope are evaluated as claims.

We consider claims to be amounts in excess of agreed contract prices that we seek to collect from our customers or others for customer-caused delays, errors in specifications and designs, contract terminations, change orders that are either in dispute or are unapproved as to both scope and price, or other causes of unanticipated additional contract costs. Claims are included in the calculation of revenues when realization is probable and amounts can be reliably determined. To support these requirements, the existence of the following items must be satisfied: (i) the contract or other evidence provides a legal basis for the claim or a legal opinion has been obtained, stating that under the circumstances there is a reasonable basis to support the claim; (ii) additional costs are caused by circumstances that were unforeseen at the contract date and are not the result of deficiencies in our performance; (iii) costs associated with the claim are identifiable or otherwise determinable and are reasonable in view of the work performed; and (iv) the evidence supporting the claim is objective and verifiable, not based on management's subjective evaluation of the situation or on unsupported representations. Revenues in excess of contract costs incurred on claims are recognized when an agreement is reached with the customer as to the value of the claim, which in some instances may not occur until after completion of work under the contract. Costs associated with claims are included in the estimated costs to complete the contracts and are treated as project costs when incurred.

Our contracts generally take four to nine months to complete. For the majority of our contracts, upon completion and final acceptance of the construction contract, we receive our final payment upon completion of the necessary contract closing documents and our obligations to the owner are final at that point. The accuracy of our revenues and profit recognition in a given period is dependent on the accuracy of our estimates of the revenues and costs to finish uncompleted contracts. Our estimates for all of our significant contracts use a highly detailed "bottom up" approach. However, our projects can be highly complex and, in almost every case, the profit margin estimates for a contract will either increase or decrease to some extent from the amount that was originally estimated at the time of bid. Because we have a large number of projects of varying levels of size and complexity in process at any given time, these changes in estimates can sometimes offset each other without materially impacting our overall profitability. However, large changes in revenues or cost estimates can have a significant effect on profitability. There are a number of factors that can contribute to changes in estimates of contract cost and profitability. The most significant of these include the completeness and accuracy of the original bid, recognition of costs associated with scope changes, extended overhead due to customer-related and weather-related delays, subcontractor and supplier performance issues and site conditions that differ from those assumed in the original bid to the extent contract remedies are unavailable. The foregoing factors, as well as the stage of completion of contracts in process and the mix of contracts at different margins, may cause fluctuations in gross profit between periods, and these fluctuations may be significant.

Contracts Receivable, Including Retainage

Contracts receivable are generally based on amounts billed to the customer and currently due in accordance with our contracts. Many of the contracts under which we perform work contain retainage provisions. Retainage refers to that portion of billings made by us, but held for payment by the customer pending satisfactory completion of the project. Retainage on active contracts is classified as a current asset regardless of the term of the contract and is generally collected within one year of the completion of a contract. At each of September 30, 2016, September 30, 2017 and December 31, 2017, contracts receivable included $13.2 million, $13.2 million and $13.7 million, respectively, of retainage, which was being contractually withheld by customers until completion of the associated contracts.

As the majority of our construction contracts are entered into with federal, state or municipal government customers, credit risk is minimal. We confirm that funds have been appropriated by the government project owner prior to commencing work on such projects. While most public contracts are subject to termination at the election

of the government entity, in the event of termination we are entitled to receive the contract price for completed work and reimbursement of termination-related costs. Credit risk with private owners is minimized because of statutory mechanics liens, which give us high priority in the event of lien foreclosures following financial difficulties of private owners. We maintain an allowance for doubtful accounts, which has historically been sufficient to cover accounts that are not collected.

Valuation of Long-Lived Assets and Goodwill

Long-lived assets, which include property, equipment and acquired intangible assets, such as goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment evaluations involve fair values and management estimates of useful asset lives and future cash flows. Actual useful lives and cash flows could be different from those estimated by management, and this could have a material effect on our operating results and financial position. For the fiscal years ended September 30, 2016 and 2017 and the three months ended December 31, 2017, there were no events or changes in circumstances that would indicate a material impairment of our long-lived assets.

Goodwill must be tested for impairment at least annually. We performed our most recent annual impairment test of goodwill on July 1, 2017. Our test indicated there was no impairment of goodwill. The valuation is impacted by a number of factors, but the key factors are the stock price of similar publicly traded companies, recently completed transactions from both public companies and private transactions and our estimated forecast of future cash flows.

The valuation approaches contain uncertainty regarding the estimates used. One of the largest uncertainties relates to federal, state and local government spending which management expects to increase in the upcoming years. There are a number of other uncertainties with respect to our future financial performance that could impact estimated future cash flows, including those discussed in “Risk Factors” elsewhere in this prospectus. Based on our valuation approaches, we determined that for each of our reporting units with goodwill, its fair value substantially exceeded its carrying value, and thus concluded that the carrying value of goodwill was not impaired at July 1, 2016 or July 1, 2017. At September 30, 2016, September 30, 2017 and December 31, 2017, we had goodwill with a carrying amount of $30.0 million, $30.6 million and $30.6 million, respectively.

Income Taxes

Deferred tax assets and liabilities are recognized based on the differences between the financial statement carrying amounts and the tax basis of assets and liabilities. We regularly review our deferred tax assets for recoverability and, where necessary, establish a valuation allowance. Valuation allowances are established to reduce deferred tax assets if we determine that it is more likely than not that some or all of the deferred tax assets will not be realized in future periods.

To assess this likelihood, we use historical three-year accumulated losses, estimates and judgments regarding our future taxable income as well as the jurisdiction in which this taxable income is generated to determine whether a valuation allowance is required. Such evidence can include our current financial position, results of operations, actual and forecasted results, the reversal of deferred tax liabilities, tax planning strategies and the current and forecasted business economics of our industry. Additionally, we record uncertain tax positions at their net recognizable amount, based on the amount that management deems is more likely than not to be sustained upon ultimate settlement with the tax authorities in jurisdictions in which we operate.

On the basis of our evaluations, at September 30, 2016, September 30, 2017 and December 31, 2017, no valuation allowance was recorded on our net deferred tax assets, and we had no material uncertain tax positions. If our estimates or assumptions regarding our current and deferred tax items are inaccurate or are modified, these changes could have potentially material impacts on our earnings.

Accrued Insurance Cost

We carry insurance policies to cover various risks, primarily general liability, automobile liability and workers compensation, under which we are liable to reimburse the insurance company for a portion of each claim paid, up to $500,000 per occurrence. Prior to October 1, 2017, this amount was $250,000 per occurrence. We accrue for probable losses, both reported and unreported, that are reasonably estimable using actuarial methods based on historic trends modified, if necessary, by recent events. Changes in our loss assumptions caused by changes in actual experience would affect our assessment of the ultimate liability and could have an effect on our operating results and financial position up to $500,000 per occurrence for general liability, automobile liability and workers compensation claims.

We provide employee medical insurance under policies that are both fixed premium fully insured policies and self-insured policies that are administered by the insurance company. Under the self-insured policies, we are liable to reimburse the insurance company for actual claims paid plus an administrative fee. We purchase separate stop-loss insurance, which limits the individual participant claim loss to amounts ranging from $75,000 to $160,000.

Share Based Payments and Other Equity Transactions

Our equity incentive plans are administered by our Compensation Committee, which has historically set stock option exercise prices based on recent unregistered sales of our common stock.

We recognize compensation expense for stock option awards based on valuation studies. Prior to the completion of this offering, there has not been an established market for shares of our common stock. While we have issued new equity to unrelated parties, and we use such facts in the determination of the fair value of our shares, we believe that the lack of a secondary market for our common stock and our limited history issuing stock to unrelated parties make it impracticable to estimate our common stock's expected volatility. Therefore, it is not possible to reasonably estimate the grant-date fair value of our options using our own historical price data. Accordingly, we applied the provisions of FASB ASC Topic 718 in accounting for the share options under the calculated value method.

In fiscal years 2016 and 2017, the expected volatility was based on the average volatility of five companies within three different SIC industries as management believed that we fit the profile of the companies selected.

Forfeitures are estimated using historical experience and projected employee turnover. These estimates require a considerable degree of judgment and affect the amount of stock-based compensation expense we recognize. If we determine that another method to estimate expected volatility or expected term is more reasonable than our current methods, or if another method for calculating fair value is prescribed by authoritative guidance, the fair value calculated for future stock-based awards could change significantly from past awards, even if the principal terms of the awards are similar. Higher volatility and longer expected terms result in an increase to stock-based compensation determined at the date of grant. The expected dividend rate and expected risk-free interest rate are not as significant to our calculation of fair value. A hypothetical 10% increase or decrease to any of the above assumptions would have had an immaterial impact on the amount of stock-based compensation expense we recognized in each of the periods presented. However, although changes in assumptions relative to expenses related to 2010 stock options granted outside of our equity incentive plan would be considered immaterial to us, future years could result in a more significant difference if we were to grant additional stock options, the value of our common stock increases significantly or our estimated volatility is higher.

Emerging Growth Company

The JOBS Act permits an "emerging growth company" like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. Our decision to opt out of the extended transition period is irrevocable.

Internal Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for our Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures of our assets are made in accordance with management's authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Furthermore, our controls and procedures can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the control, and misstatements due to error or fraud may occur and not be detected on a timely basis. In the course of preparing the financial statements that are included in this prospectus, our management has determined that we have material weaknesses in our internal control over financial reporting, which relate to the design and operation of our information technology general controls and overall closing and financial reporting processes, including our accounting for significant and unusual transactions. We have concluded that these material weaknesses in our internal control over financial reporting are due to the fact that, prior to this offering, we were a private company with limited resources and did not have the necessary business processes and related internal controls formally designed and implemented coupled with the appropriate resources with the appropriate level of experience and technical expertise to oversee our business processes and controls surrounding information technology general controls, our closing and financial reporting processes and to address the accounting and financial reporting requirements related to significant and unusual transactions.

In order to remediate these material weaknesses, we are taking the following actions: (i) we are actively seeking additional accounting and finance staff members and a senior accounting officer with public company reporting experience, to augment our current staff and to improve the effectiveness of our closing and financial reporting processes; and (ii) we have engaged a third party to assist us with formalizing our business processes, accounting policies and internal controls documentation and related internal controls and strengthening supervisory reviews by our management.

Notwithstanding the material weaknesses that existed at September 30, 2017, our management has concluded that the consolidated financial statements included elsewhere in this prospectus present fairly, in all material respects, our financial position, results of operation and cash flows in conformity with GAAP.

If we fail to fully remediate these material weaknesses or fail to maintain effective internal controls in the future, it could result in a material misstatement of our financial statements that would not be prevented or detected on a timely basis, which could cause investors to lose confidence in our financial information or cause our stock price to decline. Our independent registered public accounting firm has not assessed the effectiveness of our internal control over financial

reporting and, under the JOBS Act, will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected.

Inflation

Inflation had an immaterial impact on our results of operations for the fiscal years ended September 30, 2016 and 2017 and the three months ended December 31, 2017 due to relatively low inflation in the United States in recent years and our ability to recover increasing costs by obtaining higher prices for our products, including sale price escalator clauses in most of our public infrastructure sector contracts. Inflation risk varies with the level of activity in our industry, the number, size and strength of competitors and the availability of products to supply a local market.

Quantitative and Qualitative Disclosure about Market Risks

We are subject to commodity price risk with respect to price changes in liquid asphalt and energy, including fossil fuels and electricity for aggregates and asphalt paving mix production, natural gas for HMA production and diesel fuel for distribution vehicles and production-related mobile equipment. In order to manage or reduce commodity price risk, we monitor the costs of these commodities at the time of bid and price them into our contracts accordingly. Furthermore, liquid asphalt escalator provisions in most of our public and in some of our private and commercial contracts limit our exposure to price fluctuations in this commodity. In addition, we enter into various firm purchase commitments, with terms generally less than one year, for certain raw materials.

Interest Rate Risk

We are exposed to interest rate risk on certain of our short- and long-term debt obligations used to finance our operations and acquisitions. We have LIBOR-based floating rate borrowings under the Compass Credit Agreement, which expose us to variability in interest payments due to changes in the reference interest rates. From time to time, we use derivative instruments as hedges against the impact of interest rate changes on future earnings and cash flows. In order to hedge against changes in interest rates and to manage fluctuations in cash flows resulting from interest rate risk, on June 30, 2017, we entered into an amortizing interest rate swap agreement applicable to $25.0 million outstanding debt under the Term Loan, for which we pay a fixed rate of 2.015% and receive a credit based on the applicable LIBOR rate.

At December 31, 2017 and September 30, 2017, we had a total of $50.0 million and $57.5 million of variable rate borrowings outstanding, respectively. Holding other factors constant and absent the interest rate swap agreement described above, a hypothetical 1% change in our borrowing rates would result in a $0.5 million and $0.6 million change in our annual interest expense based on our variable rate debt at December 31, 2017 and September 30, 2017, respectively.

Seasonality

The use and consumption of our products and services fluctuate due to seasonality. Our products are used, and our construction operations and production facilities are located, outdoors. Therefore, seasonal changes and other weather-related conditions, in particular extended rainy and cold weather in the spring and fall and major weather events, such as hurricanes, tornadoes, tropical storms and heavy snows, can adversely affect our business and operations through a decline in both the use of our products and demand for our services. In addition, construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during the third and fourth quarters of our fiscal year typically result in higher activity and revenues during those quarters. The first and second quarters of our fiscal year typically have lower levels of activity due to adverse weather conditions.

BUSINESS

Our Company

We are one of the fastest growing civil infrastructure companies in the United States specializing in the building and maintenance of transportation networks. Our operations leverage a highly skilled workforce, strategically located HMA plants, substantial construction assets and select material deposits. We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports, and commercial and residential sites in the Southeastern United States. Led by industry veterans each with over 30 years of experience operating, acquiring and improving construction companies, we are well-positioned to continue to expand profitably in an industry with attractive growth prospects.

Since our inception in 2001, we have scaled into one of the largest operators in the Southeastern United States, growing from three to 27 HMA plants at March 31, 2018. We operate in a geographic area covering nearly 29,000 miles of highway infrastructure, and we produced 3.2 million tons of HMA in fiscal 2017 for use in more than 900 transportation or infrastructure projects. We maintain a high level of visibility on future infrastructure projects by analyzing the budgets and bidding patterns of state and local DOTs in the markets that we serve. We are therefore able to reliably forecast our bidding opportunities and properly plan for future projects. Our contract backlog at December 31, 2017 was at a record level of $550.9 million, as compared to $369.8 million at December 31, 2016 and $549.9 million at September 30, 2017.

The Southeastern United States is one of the fastest growing regions with respect to population and job growth, which drives additional federal funding to the area. The five states in which we operate (Alabama, Florida, Georgia, North Carolina and South Carolina) have experienced a combined annual population growth of 1.4% from 2000 to 2016, as compared to 0.8% for the rest of the United States, and combined annual economic growth of 2.7% from 2013 to 2016, as compared to 2.1% for the rest of the United States. Additionally, each of these states has recently passed legislation to increase transportation funding.

We have strategically entered each of the markets that we serve to capitalize on substantial public and private infrastructure opportunities in the Southeastern United States. Publicly funded projects accounted for approximately 70% of our fiscal 2017 construction contract revenues. Our public customers include federal agencies, state DOTs and local municipalities. Total spending on transportation infrastructure in the United States was approximately $279.0 billion in 2014, of which highways and local roads accounted for approximately $165.0 billion, or 59%. We believe transportation infrastructure spending will increase as federal, state and local governments allocate funding to their aging transportation network infrastructures. At the federal level, the FAST Act earmarked $305.0 billion for transportation infrastructure spending through 2020. The FAST Act builds upon the MAP-21 Act, which was passed in 2012 and provided $105.0 billion of similar funding. Moreover, in February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels.

Privately funded projects accounted for approximately 30% of our fiscal 2017 construction contract revenues. We provide a wide range of large sitework construction and HMA paving services to private construction customers, including commercial and residential developers and local businesses. We compete for private construction projects primarily on the basis of the breadth of our service capabilities and our reputation for quality. Private projects also drive demand for external sales of our HMA and aggregates to smaller contractors that do not own their own HMA or aggregate facilities. We believe we are well-positioned to capitalize on the strong momentum in commercial and residential private construction sectors driven by population and economic expansion in the Southeastern United States.

Supported by our local market presence and knowledge, as well as scale advantages attributable to our vertical integration, geographic reach and strong financial profile, we believe we are a market leader in each of the markets that we serve. For all but the very largest projects, we compete primarily against local firms that have existing asphalt plants and paving operations relatively close to the project site. For most projects, HMA is a critical input that cannot be efficiently transported beyond a relatively short distance. By virtue of this locally driven competitive dynamic, competition in our industry is characterized by relative market share, which we define as the percentage of jobs we win in a local market compared to the jobs we bid in a local market.

Our Competitive Strengths

Leading Market Positions in Strategic Geographic Footprint. Our local market presence and knowledge contributes to our leading position in each of the markets we serve. Our 27 HMA plants are strategically located across Alabama, Florida, Georgia and North Carolina and are near interstate highways with dense road systems. In addition to the four states in which our HMA plants are located, we provide specialty paving services in South Carolina. We believe the Southeastern United States will continue to experience above-average population and economic growth and these factors will lead to additional demand for the transportation infrastructure services we provide. Moreover, this region's temperate climate allows us to work for the majority of the year, thereby enabling us to mitigate the fixed cost of weather-idled facilities and maintain a year-round workforce.

Scale Advantages. We believe our HMA plants, equipment fleet, experienced personnel and bonding capacity provide us with scale advantages over our competitors, which are primarily small- and medium-sized businesses and are often family owned and operated. In addition, our ability to internally source HMA provides project execution and bidding advantages over some of our competitors. Our flexible crews and diverse fleet of equipment are deployed across a wide geographic footprint to perform projects of varying size and scope, which helps us maintain high asset utilization and lower fixed unit costs. Our scale also allows us to fully utilize reclaimed asphalt pavement, which lowers our HMA production costs, and allows us to receive better terms in capital asset purchases with our equipment providers. Most of the projects for which we compete require surety performance bonds as a bidding condition. Many of our competitors are limited in the projects for which they can bid because of such bidding and bonding constraints. Our track record of successful project execution and profitability, coupled with a strong balance sheet, provide us with ample bidding and bonding capacity, allowing us to bid on a large number of projects simultaneously. As such, we have never been prevented from bidding a project due to bidding and bonding requirements. The scale advantages from our leading relative market position support our growth strategy.

Customer and Revenue Diversification. We perform both new construction and maintenance infrastructure services over a wide geographic footprint for both public and private clients. Our largest customers are state DOTs. For the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. Our 25 largest projects accounted for 22.4%, of our fiscal 2017 revenues. While we have the capabilities required for large infrastructure projects, a core principle of our strategy is to perform many smaller projects with varied complexity and short durations. In fiscal 2017, our average project size was $1.7 million and our projects had an average duration of approximately eight months. We believe this strategy, coupled with our disciplined bidding process, yields revenue diversification and enables us to better manage our business through market cycles.

Consistent History of Managing Construction Projects and Contract Risk. Our long and successful track record in each of the markets that we serve provides us with an understanding of the various risks associated with transportation infrastructure projects. We serve as prime contractor on approximately 70% of our projects and as a subcontractor on the remaining 30%. When serving as prime contractor, we utilize subcontractors to perform

approximately 30% of the total project. The vast majority of our projects are fixed unit price contracts, pursuant to which a portion of our revenues is tied to the volume of various project components. We combine our experience, local market knowledge and fully integrated management information systems to effectively bid, execute on and manage projects. We capture project costs such as labor and equipment expenses on a daily basis. Our managers review daily project reports to determine whether actual project costs are tracking to budget.

***Successful Record of Executing and Integrating Acquisitions*.** One of our core competencies is successfully identifying, executing and integrating acquisitions. Since 2001, we have completed 15 acquisitions, which have enabled us to expand our end-markets, service offerings and geographic reach. We derive acquisition synergies by expanding the pool of project opportunities of our acquired companies through enhancing their service offerings and bidding capacities. Our acquisition philosophy involves retaining the local management team of the acquired business, maintaining operational decisions at the local level and providing strategic insights and leadership through our senior management team. Acquisition integration primarily involves the implementation of our standardized bidding and management information systems across the functional areas of accounting and operations. These management information systems provide acquired companies with the necessary tools to capture and analyze cost and to improve operating results.

***Common Processes and Technology Systems*.** We employ a common set of operational processes and utilize leading technology systems to track all of our operations. These practices and systems are important competitive advantages in several areas of our business. Our uniform estimating and job cost systems, developed for our business and improved internally, offers a critical advantage not only in the procurement of work, but also the procurement of profitable work, by providing an accurate measure of our cost for individual items in a bid. In contrast, we believe many of our competitors have not invested equivalent resources to develop systems with the same level of detail, which can make them less competitive in the bidding process and/or less profitable. We also track and analyze our competitors' historical bids and bidding tendencies, which provides us with a critical bidding advantage. Since all of our project teams utilize the same processes and are trained to the same standards, our management tools allow us to optimize personnel and equipment usage across our project portfolio during project execution, improving asset utilization and providing significant cost savings.

Experienced Management Team and Supportive Sponsor. Our executive officers are seasoned leaders with complementary skill sets and a track record of financial success spanning over 30 years and multiple business cycles. As the senior executives of the North American arm of an international construction company, our Chief Executive Officer and our Chief Financial Officer built a civil infrastructure company which operated over 50 HMA plants in five states before its sale in 1999. Collectively, they have successfully completed approximately 50 acquisitions in the civil infrastructure sector over the course of their careers. Our five Senior Vice Presidents possess over 150 years of combined management experience with both publicly and privately held civil infrastructure companies operating in the Southeastern United States. In addition, following this offering, SunTx will continue to own a significant economic interest in our Company. After giving effect to this offering and the Reclassification (as defined herein), SunTx will own 33,175,696 shares of our Class B common stock and 86.3% of the voting power of our outstanding common stock. The Executive Chairman of our board of directors, Ned N. Fleming, III, played a key role in our founding, and we believe that we will continue to benefit from his ongoing involvement following the completion of this offering. Furthermore, we believe that our dual-class capital structure will contribute to the stability and continuity of our board of directors and senior management, allowing them to focus on creating long-term stockholder value.

Our Growth Strategy

***Capitalize on Increased State and Federal Spending on U.S. Transportation Infrastructure*.** There is currently an $836.0 billion backlog of projects to repair deteriorating bridges and highways in the United States. According to the American Society of Civil Engineers, the roads in each of the states in which we operate received infrastructure report cards with a grade of "B-" or "C." We expect the poor condition of the roads in the markets that we serve to provide consistent opportunities for growth. Funding for projects in these markets will come from a variety of sources. In addition to the FAST Act and other legislative proposals, each state in which we operate maintains a transportation infrastructure fund supported primarily by fuel taxes. Whether by state constitution or statute, these funds are generally protected and required to be used for transportation infrastructure purposes. We are well-positioned to take advantage of increased infrastructure spending due to our broad footprint of existing HMA production facilities designed with significant excess capacity across the Southeastern United States.

Organically Expand Our Geographic Footprint. We believe the economic climate of the Southeastern United States is more favorable than other parts of the country with commensurate population growth trends, which will lead to significant future federal, state and local infrastructure spending. We have the financial and organizational resources to add additional workforce and equipment, and we are highly experienced in developing new plant sites, to expand into adjacent markets. In addition, we maintain strategic partnerships with subcontractors affording additional scalability in labor and equipment. Our financial profile and track record also facilitate significant growth in bonding capacity—a challenge that may prove difficult for smaller, privately held competitors. We continually evaluate opportunities to expand organically in the Southeastern United States.

Consistent Pursuit of Acquisitions. Over the last 16 years, our consistent organic growth has been augmented by the successful acquisition and integration of 15 complementary construction businesses, establishing us as a leading industry consolidator. Our management team has acquired businesses in a variety of economic cycles, with the number of opportunities generally increasing in cyclical downturns. Our senior management team has successfully completed approximately 50 acquisitions over the course of their careers. Our management team's experience, industry expertise, integrity and strong relationships with industry players allow us to be considered a "buyer-of-choice" with targeted, high-quality prospective targets, most of which are family owned and operated. These advantages, together with the proceeds of this offering and the opportunity to use our equity as a component of acquisition consideration, should further enhance our acquisition prospects. We maintain an acquisition pipeline with a growing number of opportunities to expand our geographic footprint. While most opportunities in our pipeline consist of add-on acquisitions in the Southeastern United States, we also continuously evaluate platform investments that would allow expansion into states in the Southeastern United States.

Consistent with this strategy, on September 22, 2017, we acquired the ongoing sand and gravel mining operations located in Etowah, Elmore and Autauga counties in Alabama for approximately $10.8 million. This acquisition increased our aggregate reserves and will allow us to further capitalize on vertical integration opportunities. We continue to execute this strategy through the proposed acquisition described below under "Recent Developments."

Continue to Capitalize on Vertical Integration Opportunities. We consume approximately 80% of the HMA we produce and approximately 35% of the aggregates used in the production of HMA are internally sourced. In certain markets, we also mine aggregates, such as sand and gravel, used as raw materials in the production of HMA, which lowers our input costs. We believe there are additional vertical integration opportunities to enhance operational efficiency and allow us to capture additional margin throughout the value chain, including the acquisition or development of additional aggregate sites and liquid asphalt terminals.

Enhance Profitability Through Operational Improvements. We complement sophisticated business practices across our platform with fully integrated management information systems to drive operational efficiencies. With strategic oversight by our management team, operating income margins increased 310 basis points from fiscal

2015 to fiscal 2017. These margin improvements are accomplished through profit optimization plans and leveraging information technology and financial systems to improve project execution and control costs. Moreover, we improve margins on acquired businesses as we standardize business practices across functional areas, including, but not limited to, estimation, project management, finance, information technology, risk management, purchasing and fleet management.

Strengthen and Support Human Capital. We have an experienced and skilled workforce of over 1,800 employees, which we believe is our most valuable asset. Attracting, training and retaining key personnel have been and will remain critical to our success. We will continue to focus on providing our personnel with training, personal and professional growth opportunities, performance-based incentives, stock ownership opportunities and other competitive benefits in order to strengthen and support our human capital base.

Our Industry

We operate in the large and growing highway and road construction industry, which generated approximately $165.0 billion of revenues in 2014. Federal, state and local DOT budgets drive industry performance, with the public sector generating 95% of total industry revenues in 2016. In 2015, the FAST Act was passed, providing visibility and certainty of funding and planning for state DOTs. The FAST Act earmarked $305.0 billion for transportation infrastructure spending through 2020, with highway and transit projects accounting for $205.0 billion and $48.0 billion, respectively. In February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels. This plan could also drive an increase in spending on the significant backlog of national and local transportation infrastructure needs. The non-discretionary nature of highway and road construction services and materials supports highly stable and consistent industry growth.

Additionally, there are strong industry tailwinds in each of the five states in which we operate. The Alabama Transportation Rehabilitation and Improvement Program and Rural Assistance Match Program, created in 2012 and 2013, respectively, are initiatives aimed at investing $1.2 billion and $25.0 million, respectively, on the state's transportation infrastructure. The Florida Department of Transportation received $10.8 billion of funding for the 2017 fiscal year, with $4.1 billion specifically allocated for highway construction projects. In 2015, Georgia passed House Bill 170, replacing 34 short-term funding programs and providing $1.0 billion per year for transportation needs with a focus on the state's backlog of maintenance projects. In 2017, the North Carolina State Transportation Improvement Program increased the state's plan from a $320.0 million two-year program to a ten-year program estimated at $1.6 billion in additional transportation revenue. Finally, in 2016, South Carolina passed Act 275, which provides $4.2 billion in transportation infrastructure funding over the next ten years, an increase of $150.0 million per year over prior funding levels, with $2.0 billion directed toward widening and improving existing interstates and $1.4 billion directed toward pavement resurfacing.

Within the highway and road construction industry, we operate in the asphalt paving materials and services segment. Asphalt paving mix is the most common roadway material used today, covering 94% of the more than 2.7 million miles of paved U.S. roadways. We believe asphalt will continue to be the pavement of choice for roads due to its cost effectiveness, durability and reusability, as well as minimized traffic disruption during paving, as compared to concrete.

Competition is constrained in our industry because participants are limited by the distance that materials can be efficiently transported, resulting in a fragmented market of over 13,300 businesses, many of which are local or regional operators. Participants in these markets range from small, privately-held companies focused on a single

material, product or market to multinational corporations that offer a wide array of construction materials, products and paving and related services. In each market, our primary competitors are primarily local businesses, with an occasional large, national corporation providing competition.

Recent Developments

Proposed Acquisition

In December 2017, we entered into a non-binding letter of intent, and are currently engaged in discussions, on a proposed acquisition of the ongoing operations of a civil infrastructure company, with three HMA plants and sand mining and processing operations in the Southeastern United States. The proposed acquisition is consistent with our strategy to pursue add-on acquisitions in the Southeastern United States to grow our business. In addition, the proposed acquisition would increase our aggregate reserves and allow us to further capitalize on vertical integration opportunities.

The proposed purchase price is $50.0 million, subject to certain adjustments, which would be payable in cash at closing net of certain assumed liabilities. We expect to use a portion of the net proceeds from this offering and additional borrowings under the Term Loan to fund the acquisition. We do not expect this acquisition to be significant under Rules 3-05 and 1-02(w) of Regulation S-X.

Our completion of the proposed acquisition is subject to numerous conditions and contingencies, including the completion to our satisfaction of our due diligence, the negotiation and execution of definitive agreements, and the satisfaction of closing conditions. There cannot be any assurance that: (1) we will complete the proposed acquisition or provide a date by which the transaction will close; (2) the terms of the transaction will not differ, possibly materially, from those described here; or (3) if we complete the acquisition, we will be able to successfully integrate the acquired operations into our business or the acquired operations will result in increased revenue, profitability or cash flow.

Settlement Agreements

On April 19, 2018, certain of the Company's subsidiaries entered into settlement agreements with a third party, pursuant to which they will receive aggregate net payments of approximately $15.7 million, payable in four equal installments between January 2019 and July 2020, in exchange for releasing and waiving all current and future claims against the third party relating to a specific event. See "Note 19—Subsequent Events" to our audited financial statements for the year ended September 30, 2017 included in this prospectus.

Projects and Customers

We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports, and commercial and residential sites in the Southeastern United States. We provide a wide range of large sitework construction, including site development, paving, and utility and drainage systems construction, and supply the HMA required for the projects. Our projects consist of both new construction and maintenance services. Publicly and privately funded projects accounted for approximately 70% and 30% of our fiscal 2017 construction contract revenues, respectively. Our public customers include federal agencies, state DOTs and local municipalities. Our private clients include commercial and residential developers and local businesses.

Our largest customers are state DOTs. For the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively. Other than these customers, no other customer accounted for more than 10% of our revenues for such periods, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. Our 25 largest projects accounted for 22.4% of revenues for the fiscal year ended September 30, 2017.

Though larger than our average size project of $1.7 million in fiscal 2017, the selected projects below exhibit the wide range of our service capabilities and provide insight into our most recent organic growth initiative.

Project 1—NORTH CAROLINA DOT I-95 IMPROVEMENTS

Contract Value: $53.2 million
Type of Bid: Fixed Unit Price
Targeted Completion Date: February 2021
Key Highlights:

- Seven miles of widening on I-95
- Prime contractor
- 306,000 tons of HMA
- Scope of project includes grading, storm water drainage, HMA paving, and construction of bridges and concrete structures

Project Highlights: This project includes grading, storm water drainage, HMA paving and construction of concrete structures, including two new bridges, along a seven mile stretch of I-95 in Johnson County, North Carolina. This project is part of an organic growth initiative to expand our operations in North Carolina. While this project will include existing workforce and equipment, we will also purchase a new HMA plant and establish a new permanent plant site in close proximity to the job site. Not only will this allow us to furnish HMA to this project, but it will also establish a new market for bidding, which we believe will organically expand our geographic footprint for additional bidding opportunities in the future.

Project 2—HUNTSVILLE MADISON COUNTY AIRPORT AUTHORITY—TAXIWAY CHARLIE (GROUP VI PHASE 4B)

Contract Value: $15.9 million
Type of Bid: Fixed Unit Price
Completion Date: March 2018
Key Highlights:

- Airport taxiway construction
- Prime contractor
- 3,500 linear feet of new taxiway construction
- 55,000 tons of aggregate base course
- 38,000 tons of HMA
- Two box culverts

Project Highlights: This project includes grading, storm water drainage, box culverts, aggregate base, HMA paving and airfield lighting for a new taxiway at the Huntsville Madison County International Airport. The Group VI series of projects are being constructed to allow the airport to accommodate Group VI aircraft, such as Boeing 747-8 and Airbus A380. The scope of work, tight tolerances, very short completion timeline and close proximity of our Huntsville HMA plant combine to create a project that fits our competitive position and experience. Phase 4B is

a continuation of Phase 4A, which we completed on schedule and within the budget in 2016. Having been the prime contractor for the previous phase of the project was a major advantage for us. Our project team and proven group of subcontractors were already in place and familiar with the project requirements, which provided a distinct bidding advantage.

Project 3—FLORIDA DOT—US-90 IMPROVEMENTS

Contract Value: $3.8 million
Type of Bid: Fixed Unit Price
Completion Date: January 2018
Key Highlights:

- Ten miles of highway construction
- Prime contractor
- 24,000 tons of HMA
- Widening, milling, HMA paving and miscellaneous subcontract work

Project Highlights: We were chosen as the prime contractor for various improvements on US-90. This project requires multiple methods of paving in order to upgrade the serviceability of US-90 in Monticello, Florida. The rural section of this project involves widening shoulders while protecting the scenic Crepe Myrtles trees lining the roadway. The urban section of this project consists of sidewalk repairs, as well as milling, minor drainage, signing, resurfacing and striping. Our Tallahassee, Florida HMA plant is in close proximity, allowing us to efficiently and economically transport materials to the job site.

Project 4—GEORGIA DOT STATE ROUTE 230 RESURFACING

Contract Value: $2.5 million
Type of Bid: Fixed Unit Price
Targeted Completion Date: April 2018
Key Highlights:

- 14 miles of HMA resurfacing
- Prime contractor
- 28,000 tons of HMA
- Miscellaneous subcontract work

Project Highlights: This project involves the placement of an open graded crack relief interlayer of HMA followed by a layer of recycled asphaltic concrete superpave surface mix. Upon completion of the HMA construction on this project, the roadway shoulders will be rehabilitated and the roadway will receive new traffic striping. We will internally source the HMA from our plant located in Cary, Georgia, which is in close proximity to the job site. The close proximity of our HMA plant and our highly efficient paving crews provided us an advantage in the bidding process.

Contract Backlog

Our contract backlog was $364.1 million, $549.9 million and $550.9 million at September 30, 2016, September 30, 2017 and December 31, 2017, respectively.

We generally include a construction project in our contract backlog at the time it is awarded and to the extent we believe funding is probable. Backlog is not a term recognized under GAAP, but it is a common measure used in our industry. Our backlog consists of uncompleted work on contracts in progress and contracts for which we have executed a contract but have not commenced the work. For uncompleted work on contracts in progress we include (i) executed change orders, (ii) pending change orders for which we expect to receive confirmation in the ordinary course of business and (iii) claims that we have made against our customers for which we have determined we have a legal basis under existing contractual arrangements and as to which we consider collection to be probable. Backlog on uncompleted work on contracts in progress was $292.9 million, $457.6 million and $445.3 million at September 30, 2016, September 30, 2017 and December 31, 2017, respectively. Our backlog also includes low bid/no contract jobs which consist of (i) public bid jobs where we were the low bidder and no contract has been executed and (ii) private work jobs where we have been notified we are the low bidder or have been given a notice to proceed, but no contract has been executed. Low bid/no contract backlog was $71.2 million, $92.3 million and $105.5 million at September 30, 2016, September 30, 2017 and December 31, 2017, respectively. At December 31, 2017, we expect approximately 62% of our contract backlog will be completed during the current fiscal year.

Certain customer contracts contain options that are exercisable at the discretion of our customer to award additional work to us, without requiring us to go through an additional competitive bidding process. In addition, some customer contracts also contain task orders that are signed under master contracts pursuant to which we perform work only when the customer awards specific task orders to us. Awarded contracts that include unexercised contract options and unissued task orders are included in contract backlog to the extent such options are exercised or the issuance of such task orders is probable.

Substantially all of the contracts in our contract backlog, as well as unexercised contract options and unissued task orders, may be canceled or modified at the election of the customer. Historically, we have not experienced material amounts of contract cancellations or modifications. Many projects are added to our contract backlog and completed within the same fiscal year and therefore may not be reflected in our beginning or year-end contract backlog. Contract backlog does not include external sales of HMA and aggregates. See "—Types of Contracts and Contract Management."

Information Systems

We utilize standardized information technology systems across all areas of bidding, plant production, job management, and accounting for the purpose of enhanced procurement of work, project execution and financial controls. We provide information technology oversight and support from our corporate headquarters in Dothan, Alabama. The operational information systems we employ throughout our company are industry specific applications that in some cases have been internally or vendor modified and improved to fit our operations. Our enterprise resource planning software is integrated with our operational information systems wherever possible to deliver relevant, real-time operational data to designated personnel. The company-wide standardization of our information systems allows for the efficient integration of newly acquired companies. Accounting and operations personnel of acquired companies are trained not only by our information technology support staff, but by long-tenured employees in our organization with extensive experience using our systems. We believe our information systems provide our people with the tools to execute their individual job function and achieve our strategic initiatives.

Competition

We compete against multiple competitors in all of the markets in which we operate. Our competitors typically range from small, family-owned companies focused on a single material, product or market to multinational

corporations that offer a wide array of construction materials, products and paving and related services. In each market, our primary competitors are usually local businesses, and occasionally, a large, national corporation. Based on our project management experience, financial strength, reputation for quality, aggregate materials availability, operating efficiencies and location advantages, we believe we are well-positioned to compete effectively in the markets in which we operate.

Types of Contracts and Contract Management

Types of Contracts

Our customer contracts are primarily fixed unit price contracts. Pricing on a fixed unit price contract is typically based on approved quantities. We also from time to time enter into fixed total price contracts, also known as lump sum contracts, which require that the total amount of work be performed for a single price. Another type of contract we enter into less frequently are design build contracts, which are generally performed under special fixed unit price arrangements. Our contracts generally take four to nine months to complete. During fiscal year 2017, our average contract amount was $1.7 million. For the majority of our customer contracts, upon completion and final acceptance, we receive our final payment upon completion of the necessary contract closing documents and our obligations to the owner are final at that point. On some contracts, we are required to furnish a warranty on our construction. These warranties, when required, are usually one year in length but can range up to three years according to the owners' specifications. Historically, warranty claims have not been material to our business.

Contract Management

We identify potential contracts through a variety of sources, including: (i) subscriber services that consolidate and alert us to contracts open for bidding; (ii) posted solicitations by federal, state and local governmental entities through agency websites, disclosure of long-term infrastructure plans or advertising and other general solicitations; (iii) our business development efforts; and (iv) communications with other participants in our industry. We take into consideration several factors that can create variability in contract performance and our financial results compared to our bid assumptions and methodologies on a contract. As a result, after determining the potential contracts that are available, we decide which contracts to pursue based on a non-exclusive list of factors, which include relevant skills required by the contract, the contract size and duration, availability of our personnel and equipment, size and makeup of our current contract backlog, our competitive advantages and disadvantages, our prior experience, the contracting agency or customer, the source of contract funding, geographic location, likely competition, construction risks, gross margin opportunities, penalties or incentives and type of contract.

To ensure the successful completeness and accuracy of our original bid analysis, the bid preparation for potential projects typically involves three phases.

- *Phase One*: We review the plans and specifications of the project so that we can identify (i) the various types of work involved and related estimated materials, (ii) the contract duration and schedule, and (iii) any unique or risky aspects of the project.
- *Phase Two*: We estimate the cost and availability of labor, materials and equipment, subcontractors and the project team required to complete the contract in accordance with the plans, specifications and construction schedule. Substantially all of our estimates are made on a per unit basis for each bid item, with the typical contract containing 50 to 200 bid items.
- *Phase Three*: Management conducts a detailed review of the estimate. This review includes an analysis of assumptions regarding cost, the approach, means and methods of completing the project, assumptions regarding staffing and productivity and assumptions regarding risk. After concluding this detailed review of the cost estimate, management determines the appropriate profit margin to calculate the total bid amount. This profit amount varies according to management's perception of the degree of difficulty of the contract, the existing competitive climate, and the size and makeup of our contract backlog. Throughout this process, we work closely with our project managers so that all issues concerning a contract, including any risks, can be better understood and addressed as appropriate.

To ensure subcontracting costs used in tendering bids for construction contracts do not change, we obtain firm quotations from our subcontractors before submitting a bid. Also, to mitigate the risk of material price changes, we obtain "not to exceed" quotations from our suppliers, which, for projects of longer duration, usually contain price escalator provisions. These quotations typically include quantity guarantees that are tied to our prime contract. We have no obligation for materials or subcontract services beyond those required to complete the respective contracts that we are awarded for which quotations have been provided.

After a contract has been awarded and during the construction phase, we monitor our progress by comparing actual costs incurred and quantities completed to date with budgeted amounts and the project schedule. Monthly, we review our estimate of total forecasted revenue, cost and expected profit for each contract.

During the normal course of some projects, we or our customer may initiate modifications or changes to the original contract to reflect, among other things, changes in quantities, specifications or design, method or manner of performance, facilities, materials, site conditions and period for completion of the work.

Generally, the scope and price of these modifications are documented in a "change order" to the original contract and reviewed, approved and paid for in accordance with the normal change order provisions of the contract. Occasionally, we are asked to perform extra or change order work as directed by the customer even if the customer has not agreed in advance on the scope or price of the work to be performed. This process may result in disputes over whether the work performed is beyond the scope of the work included in the original contract plans and specifications or, even if the customer agrees that the work performed qualifies as extra work, the price that the customer is willing to pay for the extra work. These disputes may not be settled to our satisfaction. Even when the customer agrees to pay for the extra work, we may be required to fund the cost of such work for a lengthy period of time until the change order is approved and funded by the customer. In addition, any delay caused by the extra work may adversely impact the timely scheduling of other work on the contract (or on other contracts) and our ability to meet contract milestone dates. Historically, we have been successful at managing the impacts caused by change orders, and change orders have not had a material adverse effect on our business.

Most contracts with governmental agencies provide for termination at the convenience of the customer, with requirements to pay us for work performed through the date of termination. The termination of a government contract for the convenience of the owner is an extremely rare occurrence. Many of our contracts contain provisions that require us to pay liquidated damages if specified completion schedule requirements are not met. Historically, we have not been materially adversely affected by liquidated damages provisions.

We act as prime contractor on most of our construction projects. As prime contractor, we are responsible for the performance of the entire contract, including subcontract work. To manage the risk of non-performance by our subcontractors, we typically require the subcontractor to furnish a bond or other type of security to guarantee its performance and/or we retain payments in accordance with contract terms until their performance is complete. Disadvantaged business enterprise regulations require us to use our good faith efforts to subcontract a specified portion of contract work done for governmental agencies to certain types of disadvantaged contractors or suppliers.

Insurance and Bonding

We maintain general and excess liability, property, workers' compensation and medical insurance, all in amounts consistent with industry practice.

In the ordinary course of our business, we are generally required to provide various types of surety bonds that provide an additional measure of security to the customer for our performance under certain public and private

sector contracts. Our ability to obtain surety bonds depends upon our capitalization, working capital, past performance, management expertise and external factors, including the capacity of the overall surety market. Surety companies consider such factors in light of the amount of our contract backlog that we have bonded and their underwriting standards. The capacity of the surety market is subject to market-based fluctuations driven primarily by the level of surety industry losses and the degree of surety market consolidation. Some of our competitors may be limited in the projects they can bid because of bidding and bonding capacity constraints. Our track record of successful project execution and profitability, coupled with a strong balance sheet, provide us with ample bidding and bonding capacity, which allows us to bid a large number of projects simultaneously. Since our inception, we have never been prohibited from pursuing a project due to bidding and bonding requirements.

Raw Materials

We purchase raw materials, including, but not limited to, diesel fuel, liquid asphalt, other petroleum-based resources, sand and rock from numerous sources. With few exceptions, we do not enter into long-term agreements to purchase raw materials. We receive quotes from suppliers, most with a “not to exceed” price for the quoted product over the life of a project. In the HMA production process, components of a mix include virgin aggregates, such as sand and rock, liquid asphalt, and reclaimed asphalt pavement (“RAP”). We are able to internally supply RAP, a byproduct of asphalt resurfacing projects, to all of our HMA plants, and virgin aggregates in some of our market areas. The majority of our HMA plants sit in or near suppliers’ rock quarries, thereby reducing the hauling cost of material to our plant. The price and availability of raw materials may vary from year to year due to market conditions and production capacities. We do not expect a lack of availability of any raw materials over the next twelve months.

Seasonality

The activity of our business fluctuates due to seasonality because our business is primarily conducted outdoors. Therefore, seasonal changes and other weather-related conditions, in particular extended rainy and cold weather in the spring and fall and major weather events, such as hurricanes, tornadoes, tropical storms and heavy snows, can adversely affect our business and operations through a decline in both the use of our products and the demand for our services. In addition, construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during our third and fourth fiscal quarters typically result in higher activity and revenues during those quarters. Our first and second fiscal quarters typically have lower levels of activity due to weather conditions. Our third fiscal quarter varies greatly with spring rains and wide temperature variations. A cool, wet spring increases drying time on projects, which can delay sales in the third fiscal quarter, while a warm dry spring may enable earlier project startup.

Employees

We have an experienced and skilled workforce. Attracting, training and retaining key personnel have been and will remain critical to our success. Through the use of our management information systems, on-the-job training, and educational seminars, employees are trained to understand the importance of project execution. We place additional focus on training relative to estimating, project management and project cost control. Our crews typically specialize in a specific phase of construction, such as grading or paving, with each crew member assigned to a specific task in order to maximize daily production. A core tenet of our organizational philosophy is to promote from within and offer advancement opportunities at all levels of employment to incentivize professional excellence, which helps us retain talented employees. Moreover, we proactively recruit additional talent in both conventional and creative manners to fill open positions when promoting internally is not an option.

At March 31, 2018, we employed approximately 527 salaried employees and 1,329 hourly employees. The total number of hourly personnel is subject to the volume of projects in progress and is seasonal. During fiscal 2017, the number of hourly employees ranged from approximately 1,200 to 1,350 and averaged approximately 1,300. We are not subject to any collective bargaining agreements with respect to any of our employees. We believe that we have strong relationships with our employees.

Training and Safety

We place a high emphasis on the safety of the public, our customers and our employees. To that end, we conduct extensive safety training programs, which have allowed us to maintain a high safety level at our worksites. All newly-hired employees undergo an initial safety orientation, and for certain types of projects and processes, we conduct specific hazard training programs. Our project foremen and superintendents conduct on-site safety meetings, and our full-time safety inspectors make random site safety inspections and perform assessments. In addition, certain operational employees are required to complete an OSHA-approved and/or MSHA-approved safety course. Moreover, we promote a culture of safety by encouraging employees to immediately correct and report all unsafe conditions.

Environmental Regulations

Our operations are subject to stringent and complex federal, state and local laws and regulations governing the environmental, health and safety aspects of our operations or otherwise relating to environmental protection. These laws and regulations may impose numerous obligations on our operations, including:

- the acquisition of a permit or other approval before conducting regulated activities;
- the restriction of the types, quantities and concentration of materials that can be released into the environment;
- the limitation or prohibition of activities on certain lands lying within wilderness, wetlands, and other protected areas;
- the application of specific health and safety criteria addressing worker protection; and
- the imposition of substantial liabilities for pollution resulting from our operations.

Such federal laws include the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation and Liability Act, governing solid and hazardous waste management, the Clean Air Act and the Clean Water Act, protecting air and water resources, and the Toxic Substances Control Act, governing the management of hazardous materials, in addition to analogous state laws. Numerous governmental authorities, such as the EPA and analogous state agencies, have the power to enforce compliance with these laws and regulations and the permits issued under them. Such enforcement actions often involve difficult and costly compliance measures or corrective actions. Failure to comply with these laws and regulations may result in the assessment of sanctions, including administrative, civil or criminal penalties, natural resource damages, the imposition of investigatory or remedial obligations, and the issuance of orders limiting or prohibiting some or all of our operations. In addition, we may experience delays in obtaining, or be unable to obtain, required permits, which may delay or interrupt our operations and limit our growth and revenue.

Certain environmental laws impose strict liability (i.e., no showing of “fault” is required) as well as joint and several liability for costs required to remediate and restore sites where hazardous substances, hydrocarbons or solid wastes have been stored or released. We may be required to remediate contaminated properties currently or formerly owned or operated by us or regardless of whether such contamination resulted from the conduct of others or from the consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken. In connection with certain acquisitions, we could acquire, or be required to provide indemnification against, environmental liabilities that could expose us to material losses. Furthermore, the existence of contamination at properties we own, lease or operate could result in increased operational costs or restrictions on our ability to use those properties as intended, including for mining purposes.

In certain instances, citizen groups also have the ability to bring legal proceedings against us if we are not in compliance with environmental laws, or to challenge our ability to receive environmental permits that we need to operate. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health and safety impacts of our operations. Our insurance may not cover all environmental risks and costs or may not provide sufficient coverage if an environmental claim is made against us. Moreover, public interest in the protection of the environment has increased dramatically in recent years. The trend of more expansive and stringent environmental legislation and regulations applied to the construction industry could continue, resulting in increased costs of doing business and consequently affecting profitability.

We have incurred, and may in the future incur, significant capital and operating expenditures to comply with such laws and regulations. To the extent laws are enacted or other governmental action is taken that restricts our operations or imposes more stringent and costly operating, waste handling, disposal and cleanup requirements, our business, prospects, financial condition or results of operations could be materially adversely affected.

We regularly monitor and review our operations, procedures, and policies for compliance with our operating permits and related laws and regulations. We believe that our operations and facilities, whether owned or leased, are in substantial compliance with applicable environmental laws and regulations and that any non-compliance is not likely to have a material adverse effect on our operations or financial condition.

Industrial operations, including equipment maintenance and storage, asphalt manufacturing and processing, underground storage tank usage, and other storage and use of hazardous materials and petroleum products, have been and/or are conducted at our facilities for, in some cases, over fifty (50) years. While we have conducted our operations in substantial compliance with applicable environmental laws, we have, from time to time, identified contamination associated with these activities at several of our facilities, including at our offices and shops located in Raleigh, NC. We have incurred costs for the investigation and remediation of hazardous substances and petroleum products identified at several facilities and investigation and remediation activities are ongoing at several facilities. In addition, additional investigation would be required to rule out such contamination at our HMA plants in Clanton, AL, Fort Payne, AL, Guntersville, AL and Raleigh, NC. We may also become subject to similar liabilities in connection with prior and future acquisitions. We do not believe that liabilities associated with known or potential contamination at any of our facilities will have a material adverse effect on our operations or financial condition.

Properties

Our headquarters are located in a 7,000 square foot owned office space in Dothan, Alabama. At March 31, 2018, we operated 27 HMA plants and had 30 office locations and six quarries. We believe all of our properties are suitable for their intended use and that our facilities are adequate to conduct our operations. However, we routinely evaluate the purchase or lease of additional properties or the consolidation of our properties, as our business needs change.

The following table sets forth specifics of the properties that we own or lease.

Property Location	Owned/Leased	Quarry	HMA Plant	Office Space
Alabama				
Andalusia	Leased	—	—	X
Ariton	Owned	—	X	X
Brantley	Leased	—	X	—
Calera	Leased	—	X	—
Clanton	Owned	—	X	X
Deatsville	Owned	X	—	X
Decatur	Owned	—	X	X
Dothan	Leased	—	—	X
Dothan (headquarters)	Owned	—	—	X
Ft. Payne	Leased	—	X	—
Gadsden	Owned	X	—	X
Guntersville	Leased	—	—	X
Guntersville	Leased	—	X	—
Headland	Owned	—	X	X
Huntsville	Owned	—	X	—
Huntsville	Owned	—	—	X
Lacon	Leased	—	X	—
Montgomery	Leased	—	—	X
Montgomery	Owned	—	—	X
Montgomery	Owned	—	X	X
Owens Cross Roads	Leased	—	—	X
Pelham	Leased	—	—	X
River Falls	Leased	—	X	—
Scottsboro	Owned	—	X	—
Shorter	Owned	X	—	X
Shorter	Owned	—	X	—
Shorter	Leased	X	—	—
Skyline	Leased	X	—	X
Florida				
Freeport	Owned	—	X	X
Freeport	Owned	X	—	—
Hosford	Owned	—	—	X
Panama City	Owned	—	X	X
Plant City	Owned	—	X	X
Tallahassee	Owned	—	X	X
Tallahassee	Owned	—	—	X
Wildwood	Owned	—	X	X
Georgia				
Cochran	Owned	—	—	X
Cochran	Owned	—	X	X
Oak Park	Leased	—	X	—
Surrency	Owned	—	X	X

Property Location	Owned/Leased	Quarry	HMA Plant	Office Space
North Carolina				
Holly Springs	Leased	—	X	—
Kenly	Leased	—	X	—
Knightdale	Leased	—	X	—
Raleigh	Owned	—	—	X
Raleigh	Leased	—	—	X
Raleigh	Leased	—	X	—
Wake Forest	Leased	—	X	—

Intellectual Property

We own Internet domains in the United States that we use in connection with our business. We do not own or license any patents.

Legal Proceedings

Due to the nature of our business, we are involved in routine litigation or subject to other disputes or claims related to our business activities, including workers' compensation claims and employment-related disputes. In the opinion of our management, none of the pending litigation, disputes or claims against us, if decided adversely to us, would have a material adverse effect on our financial condition, cash flows or results of operations.

MANAGEMENT

Directors and Executive Officers

Set forth below is the name, age, position and a brief description of the business experience of each of our directors and executive officers at April 23, 2018.

Name	Age	Position
Ned N. Fleming, III	57	Executive Chairman of the Board of Directors and Director
Charles E. Owens	68	President, Chief Executive Officer and Director
R. Alan Palmer	66	Executive Vice President and Chief Financial Officer
M. Brett Armstrong	57	Senior Vice President
Robert P. Flowers	58	Senior Vice President
John L. Harper	53	Senior Vice President
F. Julius Smith, III	48	Senior Vice President
John A. Walker	61	Senior Vice President
Craig Jennings	59	Director
Mark R. Matteson	54	Director
Michael H. McKay	56	Director
Stefan L. Shaffer	61	Director

Ned N. Fleming, III is one of the founders of our Company and has served as Executive Chairman of our board of directors since our inception. He has served as Managing Partner of SunTx since 2001. He also serves as Chairman of the board of directors of NationsBuilders Insurance Services, Inc., Ranger Offshore, Inc. and Big Outdoor LLC, and as a member of the board of directors of Veritex Holdings, Inc. (Nasdaq: VBTX). Mr. Fleming previously served as a member of the board of directors of DF&R Restaurants, Inc., a formerly publicly traded restaurant operator, and Spinnaker Industries, Inc., a publicly traded material manufacturing company. Prior to co-founding SunTx in 2001, Mr. Fleming served as President and Chief Operating Officer of Spinnaker Industries, Inc. until its sale in 1999. Prior to that, Mr. Fleming worked at a Dallas-based private investment firm, where he led acquisitions in the food and beverage and defense industries. Mr. Fleming received a Master of Business Administration with distinction from Harvard Business School and a Bachelor of Arts in Political Science from Stanford University. Due to his role with our Company since our inception, Mr. Fleming has significant knowledge of us and our industry, which we believe makes him well-qualified to serve as a director of our Company.

Charles E. Owens is one of the founders of our Company and has served as our President and Chief Executive Officer since its inception. He has been a member of our board of directors since 2001 and has overseen the successful acquisition and integration of 15 companies. From 1990 until its sale in 1999, Mr. Owens was President and Chief Executive Officer of Superfos Construction U.S., Inc. (“Superfos”), the North American operation of Superfos a/s, a publicly held Danish company. During his tenure at Superfos, he oversaw the successful acquisition and integration of approximately 35 companies, turning Superfos into one of the largest highway construction companies in the United States. Prior to 1990, Mr. Owens was President of Couch Construction, Inc., a subsidiary of Superfos headquartered in Dothan, Alabama. Mr. Owens received a Bachelor of Business Administration from Troy University. Due to his role with our Company since our inception, Mr. Owens has significant knowledge of us and our industry, which we believe makes him well-qualified to serve as a director of our Company.

R. Alan Palmer is one of the founders of our Company and has served as our Executive Vice President and Chief Financial Officer since 2006. Between 2001 and 2006, Mr. Palmer provided consulting services to the Company.

Prior to 2000, Mr. Palmer was Vice President and Chief Financial Officer of Couch Construction, Inc. and Superfos. Mr. Palmer has been principally involved in the acquisition and integration of approximately 50 companies alongside Mr. Owens over the course of his career. Mr. Palmer is a Certified Public Accountant. Mr. Palmer received a Bachelor of Science in Accounting from Auburn University.

M. Brett Armstrong has served as our Senior Vice President since 2017 and has served as Chief Operating Officer of Wiregrass Construction Company, Inc. ("WCC"), a subsidiary of our Company acquired in 2002, since 2008 and as Vice President and Area Manager of WCC from 2000 to 2008. Mr. Armstrong has over 30 years of construction management experience. Prior to joining WCC, he was Area Manager over the Columbus, Georgia division of Ashland Paving and Construction, Inc. Prior to that, he was Area Manager over the Columbus, Georgia division of Superfos. Mr. Armstrong holds a Bachelor of Science in Civil Engineering from Auburn University.

Robert P. Flowers has served as our Senior Vice President since 2017 and has served as President of C.W. Roberts Contracting, Inc. since joining our Company in 2013. Mr. Flowers has over 30 years of construction management experience. Prior to joining our Company, he was Executive Vice President of Estimating and Construction for Barlovento, LLC, a general contractor performing civil and commercial construction throughout the United States. Prior to that, Mr. Flowers was the Georgia Platform President of Superfos.

John L. Harper has served as our Senior Vice President since 2017 and has served as President of WCC, a subsidiary of our Company acquired in 2002, since 1996. Mr. Harper has over 30 years of construction management experience. Prior to becoming President of WCC, he served as Vice President of Estimating/Project Management. An active member of several state and national highway construction organizations, Mr. Harper currently serves as the Second Vice Chairman of the National Asphalt Pavement Association. Mr. Harper received a Bachelor of Science in Finance from Auburn University.

F. Julius Smith, III has served as our Senior Vice President since 2017 and has served as President of Fred Smith Construction, Inc., a subsidiary of our Company acquired in 2011, since 2009. With over 20 years of construction management experience, Mr. Smith previously served as Chief Operating Officer of Fred Smith Construction, Inc. from 2005 to 2009. Prior to that, he held various other positions within Fred Smith Construction, Inc. and also served in the supply corp of the U.S. Navy. Mr. Smith received a Master of Business Administration and a Bachelor of Arts in History from Wake Forest University.

John A. Walker has served as our Senior Vice President since 2017 and previously served as Vice President of Business Development since joining our Company in 2009. Mr. Walker has over 30 years of experience in the construction industry. Before joining our Company, he was a Regional Vice President at Oldcastle Materials, Inc. Prior to that, he was the Alabama Platform President of Superfos. Mr. Walker is a Licensed Professional Engineer and holds a Bachelor of Science in Civil Engineering from Auburn University.

Craig Jennings has served as a member of our board of directors since 2017. Since 2001, he has been a partner and Chief Financial Officer of SunTx. He also serves as Chairman of the board of directors of Interface Security Systems Holdings, Inc. and as a member of the board of directors of Ranger Offshore, Inc. Prior to co-founding SunTx, Mr. Jennings was Vice President of Finance and Treasurer of Spinnaker Industries, Inc., a publicly traded materials manufacturing company, until its sale in 1999. Prior to that, Mr. Jennings held senior finance positions at a publicly traded oil field services company and a publicly traded food and beverage company. Prior to that, Mr. Jennings was a Senior Audit Manager with Ernst & Young LLP. Mr. Jennings received his Bachelor of Business Administration from the University of Toledo and is a Certified Public Accountant. We believe that Mr. Jenning's investment, financial and directorship experience makes him well-qualified to serve as a director of our Company.

Mark R. Matteson has served as a member of our board of directors since our inception and was appointed as Chairman of our Audit Committee in 2008. Since 2001, he has been a partner of SunTx. Prior to co-founding SunTx in 2001, Mr. Matteson was Vice President of Corporate Development of Spinnaker Industries, Inc., a publicly traded materials manufacturing company, until its sale in 1999. He currently serves as Chairman of the board of directors of Carolina Beverage Group and as a member of the board of directors of NationsBuilders Insurance Services, Inc. Mr. Matteson received a Master of Business Administration from Georgetown University and a Bachelor of Arts in Foreign Service and International Politics from The Pennsylvania State University. Due to his role with our Company since our inception, Mr. Matteson has significant knowledge of us and our industry, which we believe makes him well-qualified to serve as a director of our Company.

Michael H. McKay has served as a member of our board of directors since 2002 and was appointed to our Audit Committee in 2008. Mr. McKay has been an Advisory Partner at Bain & Company since 2009. He also serves as a member of the board of directors of Big Outdoor Holdings, LLC and Hubbardton Forge, LLC. Since joining Bain & Company in 1987, he helped found its Private Equity Group and has evaluated and developed strategies for hundreds of businesses. From 2004 to 2006, Mr. McKay served as Chief Investment Officer of a principal investment firm based in Washington D.C., making public and private investments, and was Managing Partner of a Boston-based hedge fund from 2006 to 2009. Mr. McKay is also a Senior Lecturer at the Brandeis International Business School, where he has served on the faculty since 2010. Mr. McKay received a Master of Business Administration from The University of Chicago Graduate School of Business, where he received the Mayer Prize as top graduating student, and a Bachelor of Arts with high distinction in Economics from Harvard University. We believe that Mr. McKay's experience analyzing, financing and investing in public and private companies makes him well-qualified to serve as a director of our Company.

Stefan L. Shaffer has served as a member of our board of directors since 2017. Mr. Shaffer is the Managing Partner of SPP Capital Partners, a middle market investment banking and asset management firm, which he co-founded in 1989. Prior to founding SPP Capital Partners, Mr. Shaffer was a Vice President in the Private Placement Group at Bankers Trust Company from 1986 to 1989, and worked as attorney with the law firm of White & Case from 1982 to 1986. Mr. Shaffer received a Juris Doctor from Cornell University Law School and a Bachelor of Arts from Colgate University. We believe that Mr. Shaffer's experience analyzing, financing and advising public and private companies makes him well-qualified to serve as a director of our Company.

Board of Directors

The number of members of our board of directors will be determined from time to time by resolution of our board of directors. Currently, our board of directors consists of six persons. Our amended and restated certificate of incorporation will provide that our board of directors will be divided into three classes, with the classes to be as nearly equal in number as possible, and with the directors serving three-year terms. As a result, approximately one-third of our board of directors will be elected each year.

Our board of directors has divided our directors as follows: Mr. Fleming and Mr. Owens are class I directors with terms ending at our 2019 annual ending of stockholders; Mr. Jennings and Mr. Matteson are class II directors with terms ending at our 2020 annual meeting of stockholders; and Mr. McKay and Mr Shaffer are class III directors with terms ending at our 2021 annual meeting of stockholders.

Director Independence and Controlled Company Exemption

Because SunTx will beneficially own a majority of the voting power of our outstanding common stock following the completion of this offering, we expect to be a controlled company under the corporate governance standards of The Nasdaq Global Select Market. As a controlled company, we will not need to comply with the applicable rules that would otherwise require our board of directors to have a majority of independent directors and our Compensation Committee and our Nominating and Governance Committee to be independent. Notwithstanding

our status as a controlled company, we will remain subject to the applicable rules that require that our Audit Committee is composed entirely of independent directors, subject to a permitted "phase-in" period within one year of listing.

Following the completion of this offering, we intend to utilize some or all of the exemptions available to controlled companies. If at any time we cease to be a controlled company, we will take all action necessary to comply with the listing rules of The Nasdaq Global Select Market, including appointing a majority of independent directors to our board of directors and ensuring our Compensation Committee and our Nominating and Corporate Governance Committee are each composed entirely of independent directors, subject to any permitted "phase-in" periods. We will cease to qualify as a controlled company once SunTx ceases to own a majority of the voting power of our outstanding common stock.

To qualify as "independent" under the listing standards of The Nasdaq Global Select Market, a director must meet objective criteria set forth in the listing standards of The Nasdaq Global Select Market, and our board of directors must affirmatively determine that the director has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with us) that would interfere with his or her exercise of independent judgment in carrying out his or her responsibilities as a director. The independence criteria of The Nasdaq Stock Market LLC include that the director not be our employee and not have engaged in various types of business dealings with us.

Our board of directors will review all direct or indirect business relationships between each director (including his or her immediate family members) and us, as well as each director's relationships with charitable organizations, to assess director independence as defined in the listing standards of The Nasdaq Global Select Market.

Board Observer Rights

In connection with The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), Thrivent Financial for Lutherans ("Thrivent") and USS-Constitution Partnership Fund, L.P. being limited partner investors in SunTx CPI Expansion Fund, L.P., a limited partnership ("SunTx CPI Expansion Fund"), which is one of our largest shareholders and controlled by SunTx, we entered into side letters with each of them pursuant to which each has the right to designate one representative to attend each meeting of our board of directors and any committee thereof. In certain limited circumstances, we have agreed to reimburse Northwestern Mutual and Thrivent for all reasonable out-of-pocket costs incurred by its representative in connection with traveling to and from and attending each Board meeting.

Committees of our Board of Directors

We currently have an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance committee. We may have such other committees as our board of directors shall determine from time to time. Each of our committees has the composition and responsibilities described below.

Audit Committee

Rules implemented by The Nasdaq Global Select Market and the SEC require us to have an audit committee comprised of at least three directors, each of whom meets the independence and experience standards established by The Nasdaq Global Select Market and the Exchange Act, subject to transitional relief during the one-year period following the completion of this offering. Our Audit Committee consists of the following members: Messrs. Matteson, McKay and Shaffer. Our board of directors has determined that Mr. McKay qualifies

as an "audit committee financial expert" (as defined in Item 407(d)(5) of Regulation S-K) and that Messrs. Shaffer and McKay are independent (as defined in Rule 10A-3 of the Exchange Act and under the listing standards of The Nasdaq Global Select Market). As required by the rules of the SEC and listing standards of The Nasdaq Global Select Market, our Audit Committee will consist of a majority of independent members within 90 days of the date our Class A common stock is listed on The Nasdaq Global Select Market and will be composed solely of independent directors within one year of such listing date.

The Audit Committee is governed by a charter adopted by our Board, a copy of which will be available on our website.

The Audit Committee assists our Board in fulfilling its oversight responsibility relating to:

- the integrity of our financial statements, accounting, auditing and financial reporting process and internal control systems;
- the qualifications, independence and performance of our independent registered public accounting firm;
- the performance of our internal audit function;
- our compliance with legal and regulatory requirements;
- certain aspects of our compliance and ethics program relating to financial matters, books and records and accounting as required by applicable statutes, rules and regulations; and
- the assessment of the major financial risks facing us.

The Audit Committee's purpose is to oversee our accounting and financial reporting processes, the audits of our financial statements, the qualifications of our independent registered public accounting firm and the performance of our internal auditors and outside firms providing internal audit services.

The following functions are among the key duties and responsibilities of the Audit Committee:

- reviewing and discussing with management and our independent registered public accounting firm our annual audited and interim unaudited financial statements and related disclosures to be included in our quarterly earnings releases and periodic reports filed with the SEC;
- recommending to the Board whether our audited financial statements will be included in our Annual Report on Form 10-K;
- reviewing and discussing the scope and results of the independent registered public accounting firm's annual audit and quarterly reviews of our financial statements, and any other matters required to be communicated to the Audit Committee by the independent registered public accounting firm;
- reviewing and discussing with management, our senior internal audit executive, outside firms providing internal audit services and our independent registered public accounting firm the adequacy and effectiveness of our disclosure controls and procedures, our internal controls and procedures for financial reporting and our risk assessment and risk management policies (including those related to significant business risk exposures such as data privacy and network security);
- the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm, including overseeing their independence;
- reviewing and pre-approving all audit, review or attest services and permitted non-audit services that may be performed by our independent registered public accounting firm;
- establishing and maintaining guidelines relating to our hiring of employees and former employees of our independent registered public accounting firm, which guidelines shall meet the requirements of applicable law and listing standards;
- reviewing and assessing, on an annual basis, the adequacy of the Audit Committee's charter, and recommending revisions to the Board;
- reviewing the appointment of our senior internal audit executive, and reviewing and discussing with that individual, and any outside firms providing internal audit services, the scope and staffing of our internal audits, including any difficulties encountered by the internal audit function and any restrictions on scope of its work or access to required information, and reviewing all significant internal audit reports and management's responses;

- confirming the regular rotation of the audit partners with our independent auditor, as required by applicable law, and considering whether there should be regular rotation of our auditors;
- preparing an annual Audit Committee report to be included in our proxy statement;
- reviewing legal and regulatory matters that may have a material impact on our financial statements and reviewing our compliance policies and procedures, including the implementation and effectiveness of our compliance programs;
- reviewing the Company's significant financing transactions and related documentation that may have a material impact on the Company's ability to borrow to ensure the Company is able to finance its ongoing as well as future operations, and evaluating whether to recommend to the Board to approve or ratify any such financing transaction;
- considering all of the relevant facts and circumstances available for related party transactions submitted to the Audit Committee in accordance with our policy regarding related party transactions;
- establishing and maintaining procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls and auditing matters for the confidential, anonymous submission by our employees of concerns regarding questionable accounting and auditing matters;
- reviewing and discussing all critical accounting policies and practices to be used, all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor, and other material written communications between the independent auditor and management;
- reviewing and recommending to the Board director and officer indemnification and insurance policies and procedures;
- evaluating its performance on an annual basis and periodically reviewing the criteria for such evaluation; and
- performing such other functions the Audit Committee or the Board deems necessary or appropriate under applicable law, including those set forth in our Corporate Governance Guidelines

The Audit Committee meets separately with our internal auditors and the independent registered public accounting firm to provide an open avenue of communication.

Compensation Committee

Our Compensation Committee consists of the following members: Messrs. Matteson, Fleming, III and Schaffer. Our Compensation Committee establishes salaries, incentives and other forms of compensation for our officers and other employees. Our Compensation Committee also administers our incentive compensation and benefit plans. We have a charter defining our Compensation Committee's primary duties, a copy of which will be available on our website.

Pursuant to the charter, the Compensation Committee has the resources necessary to discharge its duties and responsibilities, including the authority to retain outside counsel or other experts or consultants as it deems necessary. In addition to the responsibilities set forth above, the following are additional key functions of the Compensation Committee, any of which may be delegated to one or more subcommittees, as the Compensation Committee may deem necessary or appropriate:

- review and approve annually the corporate goals and objectives relevant to the compensation of our executive officers, evaluate the performance of our executive officers in light of those goals and set the compensation levels of our executive officers based on the Compensation Committee's evaluation;
- review the competitiveness of our compensation programs for executive officers to (1) attract and retain executive officers, (2) motivate our executive officers to achieve our business objectives, and (3) align the interests of our executive officers and key employees with the long-term interests of our stockholders;
- review trends in management compensation, oversee the development of new compensation plans and, when necessary, revise existing plans;
- periodically review the compensation paid to non-employee directors through annual retainers and any other cash or equity components of compensation and perquisites, and make recommendations to the Board for any adjustments;

- review and approve the employment agreements, salaries, bonuses, equity or equity-based awards and severance, termination, indemnification and change in control agreements for all our executive officers;
- review and approve compensation packages for new executive officers and termination packages for executive officers as may be suggested by management or the Board;
- review and approve our policies and procedures with respect to expense accounts and perquisites for our executive officers;
- review and discuss with the Board and our executive officers plans for executive officer development and corporate succession plans for the Chief Executive Officer and other executive officers;
- review and make recommendations concerning long-term incentive compensation plans, including the use of stock options and other equity-based plans;
- oversee our employee benefit plans;
- review periodic reports from management on matters relating to personnel appointments and practices;
- review and assess the Company's policies and practices for compensating its employees, including its executive officers, as they relate to risk management practices, risk-taking incentives and identified major risk exposures to the Company;
- make recommendations concerning policies to mitigate risks arising from compensation policies and practices, including policies providing for the recovery of incentive or equity-based compensation and limiting hedging activities related to Company stock;
- retain and terminate any advisors to assist it in performing its duties, including the authority to approve fees and the other terms and conditions of the advisors' retention; and
- annually evaluate the Compensation Committee's performance and charter.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee consists of the following members: Messrs. Fleming, III, Owens and Matteson. Our Nominating and Corporate Governance Committee identifies, evaluates and recommends qualified nominees to serve on our board of directors, develops and oversees our internal corporate governance processes and maintains a management succession plan. We have a charter defining our Nominating and Corporate Governance Committee's primary duties, a copy of which will be available on our website.

In addition to the responsibilities set forth above, the following are additional key functions and responsibilities of the Nominating and Corporate Governance Committee:

- review and make recommendations regarding the size, composition and organization of the Board;
- develop and recommend to the Board specific criteria for the selection of directors;
- with respect to director nominees, (i) identify individuals qualified to become members of the Board (consistent with criteria approved by the Board), (ii) review the qualifications of any such person submitted to be considered as a member of the Board by any stockholder or otherwise, and (iii) select the director nominees for the annual meeting of stockholders or to fill vacancies on the Board;
- develop and periodically reassess policies and procedures with respect to the consideration of any director candidate recommended by stockholders or otherwise;
- review and make recommendations to the Board with respect to the size, composition and organization of the committees of the Board (other than the Nominating and Corporate Governance Committee);
- recommend procedures for the smooth functioning of the Board;
- assist the Board in determining whether individual directors have material relationships with the Company that may interfere with their independence, as provided under applicable requirements and listing standards;
- oversee the Board's annual self-evaluation process and report annually to the Board with an assessment of the Board's performance;
- develop and maintain the orientation program for new directors and continuing education programs for directors;

- review and discuss, as appropriate, with management the Company's public disclosures and its disclosures to stock exchanges relating to independence, governance and director nomination matters, including in the Company's proxy statement;
- review and assess the adequacy of its charter annually and recommend to the Board any changes deemed appropriate; and
- review its own performance annually.

Code of Business Conduct and Ethics

Our board of directors has adopted a code of business conduct and ethics applicable to our employees, directors and officers, in accordance with applicable federal securities laws and the corporate governance rules of The Nasdaq Global Select Market. Any waiver of this code of business conduct and ethics may be made only by our board of directors and will be promptly disclosed as required by applicable federal securities laws and the corporate governance rules of The Nasdaq Global Select Market. A copy of our code of business conduct and ethics will be available on our website.

Corporate Governance Guidelines

Our board of directors has adopted corporate governance guidelines, a copy of which will be available on our website.

EXECUTIVE COMPENSATION

Our Named Executive Officers are:

Name[1]	Principal Position
Charles E. Owens	President and Chief Executive Officer
R. Alan Palmer	Executive Vice President and Chief Financial Officer
F. Julius Smith, III	Senior Vice President

(1) As an "emerging growth company" our "Named Executive Officers" consist of the individuals who served as our principal executive officer and our two other most highly compensated officers who served as executive officers during our last completed fiscal year.

2017 Summary Compensation Table

The following table provides information regarding the compensation of our Named Executive Officers during the fiscal year ended September 30, 2017.

Name and Principal Position	Year	Salary ($)	Bonus ($)[1]	Option Awards ($)[2]	All Other Compensation ($)[3]	Total ($)
Charles E. Owens President and Chief Executive Officer	2017	450,000	715,000	—	22,244	1,187,244
R. Alan Palmer Executive Vice President and Chief Financial Officer	2017	307,692	360,000	—	24,168	691,860
F. Julius Smith, III Senior Vice President	2017	396,250	565,000	412,062	22,042	1,395,354

(1) The amounts in this column consist of the Named Executive Officer's cash incentive bonus awards, which we award on a discretionary basis based on our board of directors' determination of our Company's performance. In addition, in the case of Mr. Smith, the amount shown includes $300,000 of cash retention payments made pursuant to his employment and non-competition agreement.

(2) The amount in this column represents the aggregate grant date fair value of option awards computed in accordance with FASB ASC Topic 718 and excludes the effect of estimated forfeiture. For assumptions used in determining the fair value of option awards, see Note 13 (Equity-based Compensation) to our consolidated financial statements included elsewhere in this prospectus.

(3) The amounts shown include the following items: (a) for Mr. Owens, the value of personal use of a Company-owned vehicle, Company-paid premiums for long-term care benefits, 401(k) plan matching contributions and Company-paid premiums for long-term disability insurance; (b) for Mr. Palmer, the value of personal use of a Company-owned vehicle, Company-paid premiums for long-term care benefits, 401(k) plan matching contributions and Company-paid premiums for long-term disability insurance; and (c) for Mr. Smith, the value of personal use of a Company-owned vehicle, 401(k) plan matching contributions and Company-paid premiums for life insurance.

Employment or Other Agreements

Mr. Smith

On June 27, 2014, FSC II, LLC ("FSC"), our indirect wholly owned subsidiary, entered into an employment and non-competition agreement with Mr. Smith, pursuant to which Mr. Smith serves as President of FSC. The initial term of the agreement continues until June 30, 2019. The agreement provides for Mr. Smith to receive during the initial term an annual base salary of not less than $350,000 (which was increased to $400,000 on January 1, 2017). At the end of the initial term, the agreement automatically extends on a month-to-month basis, unless either party provides written notice of termination before the end of the month in which the agreement is to be terminated. In addition, Mr. Smith receives monthly retention payments of $25,000 until June 30, 2019, unless his employment is terminated earlier by either party. Mr. Smith may from time to time be eligible to receive a discretionary bonus as we may determine.

Mr. Smith is eligible for the benefits and holidays offered to other FSC employees. Mr. Smith is entitled to family medical coverage and dental insurance at the expense of FSC under any health or dental insurance plan maintained by FSC for its employees, and to 15 days of paid vacation each year. Mr. Smith also is entitled to an FSC-provided cellular phone and to the use of an FSC-provided automobile in his conduct of FSC business for which FSC bears the maintenance costs. For as long as FSC is making retention payments to Mr. Smith, FSC will maintain and pay for a term life insurance policy on Mr. Smith's life in the amount of $2.0 million, for which Mr. Smith may designate the beneficiary or beneficiaries.

Equity Incentive Plans and Agreements

Non-Plan Stock Option Agreements

On March 31, 2010, we granted a non-plan stock option to Grace, Ltd., a company controlled by Mr. Owens. The option provides for the purchase of 238,773 shares of our Class B common stock at an exercise price of $5.70 per share. The expiration date for the option is July 1, 2018. We intend to amend the option to extend the expiration date to July 1, 2021. The foregoing information regarding Mr. Owens's stock option gives effect to the Reclassification.

On March 31, 2010, we granted a non-plan stock option to Mr. Palmer. The option provides for the purchase of 394,308 shares of our Class B common stock at an exercise price of $5.70 per share. The expiration date for the option is July 1, 2018. We intend to amend the option to extend the expiration date to July 1, 2021. The foregoing information regarding Mr. Palmer's stock option gives effect to the Reclassification.

On March 7, 2017, we granted a non-plan stock option to Mr. Smith. The option provides for the purchase of 74,592 shares of our Class B common stock at an exercise price of $0.04 per share. The option was fully vested upon the date of grant, but is exercisable only during a change of control, as defined in the option agreement. The option expires on the earlier of (i) the termination of Mr. Smith's services, whether as our employee, director or consultant, (ii) March 7, 2027, and (iii) the occurrence of a change of control, after which all unexercised options will be cancelled. The foregoing information regarding Mr. Smith's stock option gives effect to the Reclassification.

Construction Partners, Inc. 2016 Equity Incentive Plan

The Construction Partners, Inc. 2016 Equity Incentive Plan (the "2016 Plan") was adopted by our Company, and approved by our stockholders, on August 19, 2016. The purpose of the 2016 Plan is to enable us and our related

companies to obtain and retain the services of employees, consultants and directors who will contribute to our long range success and to provide incentives that are linked directly to increases in share value which will inure to the benefit of all stockholders. The 2016 Plan provides for the grant of awards of options, restricted stock and restricted stock units, performance awards, stock appreciation rights and other stock-based awards, and is administered by our Compensation Committee. Subject to adjustment in the event of any distribution, recapitalization, stock split, merger, consolidation or similar corporate event, the maximum number of shares available for awards under the 2016 Plan is 378,000 shares of our common stock (after giving effect to the Reclassification). If an award under the 2016 Plan is cancelled, expires or otherwise terminates, or is forfeited or settled for cash and not in shares, the shares subject to such award will revert to, and again be available for new awards under, the 2016 Plan.

During the year ended September 30, 2016, we granted to certain employees options to purchase 252,000 shares of the Company's common stock (after giving effect to the Reclassification). At December 31, 2017, all 252,000 of the stock options issued under the 2016 Plan have been exercised, and there were zero outstanding option awards under the 2016 Plan.

On February 23, 2018, we granted certain officers and other employees an aggregate of 126,000 restricted shares of our Class B common stock under the 2016 Plan, 63,000 of which vested on the date of grant and 63,000 of which will vest on July 1, 2018. Specifically, Mr. Palmer was granted 35,280 restricted shares of our Class B common stock, 17,640 shares of which vested on the date of grant and 17,640 shares of which will vest on July 1, 2018. The foregoing information gives effect to the Reclassification.

As of March 31, 2018, there are zero shares of our common stock available for additional awards under the 2016 Plan, subject to the provision of the 2016 Plan relating to the return of shares to the share reserve upon cancellation, expiration, termination, forfeiture or cash settlement.

Construction Partners, Inc. 2018 Equity Incentive Plan

On April 20, 2018, our board of directors and a majority of our stockholders adopted an amendment and restatement of the 2016 Plan and renamed it the Construction Partners, Inc. 2018 Equity Incentive Plan (the "Restated Plan") pursuant to which our employees, directors and consultants (and those of our affiliates), including our Named Executed Officers, are eligible to receive awards. The Restated Plan provides for the grant of options, stock appreciation rights, restricted stock, restricted stock units, other stock-based awards and performance awards intended to align the interests of participants with those of our stockholders.

Eligibility

Employees, non-employee directors and consultants of us and our affiliates are eligible to receive awards under the Restated Plan.

Administration

The Restated Plan is administered by our Compensation Committee (the "Administrator") pursuant to its terms and all applicable state, federal or other rules or laws.

The Administrator has the power to determine to whom and when awards are granted, determine the number of shares for awards, prescribe and interpret the terms and provisions of each award agreement (the terms of which may vary), accelerate the exercise terms of an award, delegate duties under the Restated Plan and execute all other responsibilities permitted or required thereunder.

Securities to be Offered

Subject to adjustment in the event of any distribution, recapitalization, stock split, merger, consolidation or similar corporate event, upon completion of this offering 2,000,000 shares of our Class A common stock (the "Share Pool") will be available for delivery pursuant to awards under the Restated Plan. If an award under the Restated Plan is forfeited, settled for cash or expires without the actual delivery of shares, any shares subject to such award will revert to the Share Pool and again be available for new awards under the Restated Plan.

Types of Awards

Options

We may grant options to eligible persons including: (1) incentive options (only to our employees or those of our subsidiary or parent corporations) which comply with Section 422 of the Internal Revenue Code of 1986 (the "Code"); and (2) nonqualified options that are not intended to be incentive options. The exercise price of each option granted under the Restated Plan will be stated in the award agreement and may vary; however, the exercise price for an option will not be less than the fair market value per share of our Class A common stock as of the date of grant (or 110% of the fair market value for incentive options granted to holders of more than 10% of the voting power of all classes of stock of us or any of our subsidiary or parent corporations), nor will the option be re-priced without the prior approval of our stockholders. The fair market value per share of our Class A common stock will be determined based on reported transactions on The Nasdaq Global Select Market. Options may be exercised as the Administrator determines, but not later than ten years from the date of grant. The Administrator will determine the methods and form of payment for the exercise price of an option (including, in the discretion of the Administrator, payment by promissory note or by withholding of otherwise deliverable shares) and the methods and forms in which our Class A common stock will be delivered to a participant.

Stock Appreciation Rights

A stock appreciation right is the right to receive an amount equal to the excess of the fair market value of one share of our Class A common stock on the date of exercise over the grant price of the stock appreciation right, payable in either cash or shares or any combination thereof as determined by the Administrator. The per share grant price of a stock appreciation right will be determined by the Administrator, but in no event will the grant price be less than the fair market value of our Class A common stock on the date of grant, determined as described for options above. The Administrator will have the discretion to determine other terms and conditions of a stock appreciation rights award.

Restricted Stock Awards

A restricted stock award is a grant of shares of our Class A common stock subject to a risk of forfeiture, performance conditions, restrictions on transferability and any other restrictions imposed by the Administrator in its discretion. Restrictions may lapse at such times and under such circumstances as determined by the Administrator. Except as otherwise provided under the terms of the award agreement, the holder of a restricted stock award will have rights as a stockholder, including the right to vote the shares subject to the restricted stock award or to receive dividends on the shares subject to the restricted stock award during the restriction period. The Administrator will provide, in the award agreement, whether the restricted stock will be forfeited upon certain terminations of employment. Unless otherwise determined by the Administrator, Class A common stock distributed in connection with a stock split or stock dividend, and other property distributed as a dividend, will be subject to restrictions and a risk of forfeiture to the same extent as the restricted stock award with respect to which such Class A common stock or other property has been distributed.

Restricted Stock Units

Restricted stock units are rights to receive shares of our Class A common stock, cash or a combination of both stock and cash at the end of a specified period. The Administrator may subject restricted stock units to restrictions (which may include a risk of forfeiture) to be specified in the award agreement, which restrictions may lapse at such times determined by the Administrator. Restricted stock units may be settled by delivery of our Class A common stock, cash equal to the fair market value of the specified number of shares covered by the restricted stock units or any combination thereof determined by the Administrator at the date of grant or thereafter. The participant will not be entitled to receive dividends or dividend equivalents unless the award agreement specifically provides therefor.

Performance Awards

The vesting, exercise or settlement of awards may be subject to achievement of specified objective or subjective performance goals based on one or more business criteria set forth in the Restated Plan. The Administrator may use one or more of the following criteria, which may be applied to a participant, a business unit or to us and our affiliates, in establishing performance goals for such performance awards:

- revenues;
- earnings before all or any of interest expense, taxes, depreciation and/or amortization;
- funds from operations;
- funds from operations per share;
- operating income;
- operating income per share;
- pre-tax or after-tax income;
- net cash provided by operating activities;
- cash available for distribution;
- cash available for distribution per share;
- working capital and components thereof;
- sales (net or gross) measured by product line, territory, customer or customers or other category;
- return on equity or average stockholders' equity;
- return on assets;
- return on capital;
- enterprise value or economic value added;
- share price performance;
- improvements in our attainment of expense levels;
- implementation or completion of critical projects;
- improvement in cash-flow (before or after tax);
- net earnings;
- earnings per share;
- earnings from continuing operations;
- net worth;
- credit rating;
- levels of expense, cost or liability by category, operating unit or any other delineation;
- any increase or decrease of one or more of the foregoing over a specified period; or
- the occurrence of a Change in Control (as defined in the Restated Plan).

The Administrator may provide in any performance award for the inclusion or exclusion of the effect on reported financial results of any of the following events or occurrences: asset write-downs; litigation or claim judgments or settlements; changes in tax laws, accounting principles or other laws or provisions; reorganization or restructuring programs, including share repurchasing programs; acquisitions or divestitures; foreign currency exchange translation gains or losses; any loss from a discontinued operation as described in Accounting Standards Codification Topic 360; goodwill impairment charges; revenue or earnings attributable to a minority ownership in another entity; any amounts accrued by us or any subsidiary pursuant to management bonus plans or cash profit sharing plans and related employer payroll taxes for the fiscal year; any discretionary or matching contributions made to a savings and deferred profit-sharing plan or deferred compensation plan for the fiscal year; interest, expenses, taxes, depreciation and depletion, amortization and accretion charges; and gains and losses that are treated as extraordinary items under Accounting Standards Codification Topic 225. The level or levels of performance specified with respect to a performance goal may be established in absolute terms, as objectives relative to performance in prior periods, as an objective compared to the performance of one or more comparable companies or an index covering multiple companies on a per share basis, against our performance as a whole or against particular of our entities, segments, operating units or products, on a pre-tax or after-tax basis, in tandem with any other performance goal, or otherwise as the Administrator may determine.

Other Stock-Based Awards

The Administrator may grant other stock-based awards that are payable in, valued in whole or in part by reference to, or otherwise based on our Class A common stock, including without limitation dividend equivalent rights.

Change in Control and Other Corporate Transactions

In the event of a Change in Control (as defined in the Restated Plan) or certain other significant corporate transactions, outstanding awards will be treated as the Administrator determines in its discretion. The Administrator may arrange for continuation or assumption of awards, or substitution of equivalent awards of the surviving entity or its parent; cancel awards in exchange for cash or securities in an amount equal to the value of vested awards, or to the difference between the value of the underlying shares of our Class A common stock, and the exercise price for vested options and stock appreciation rights; or cancel outstanding awards without payment of any consideration, in which case participants will be given a reasonable period during which to exercise their awards.

Plan Amendment or Termination

Our board of directors or our Compensation Committee may amend or terminate the Restated Plan. However, stockholder approval will be required for any amendment to the extent necessary to comply with applicable law or exchange listing standards. In addition, our board of directors or our Compensation Committee may amend awards granted under the Restated Plan, but no amendment may impair the rights of a participant under any outstanding award without his or her consent. The Restated Plan will remain in effect for a period of ten years unless earlier terminated by our board of directors or our Compensation Committee.

Clawback

All awards under the Restated Plan will be subject to any clawback or recapture policy adopted by us, as in effect from time to time.

Outstanding Equity Awards at September 30, 2017

The following table presents information regarding outstanding equity-based awards held by our Named Executive Officers at September 30, 2017. This information gives effect to the Reclassification.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable[1]	Number of Securities Underlying Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Charles E. Owens	238,773	—	5.70	July 1, 2018
R. Alan Palmer	394,308	—	5.70	July 1, 2018
F. Julius Smith, III	—	74,592	0.04	(2)

(1) Mr. Owens holds unexercised options indirectly through Grace, Ltd., which were granted pursuant to a Non-Plan Stock Option Agreement, dated March 31, 2010, as amended on July 1, 2011. Mr. Palmer's unexercised options were granted pursuant to a Non-Plan Stock Option Agreement, dated March 31, 2010, as amended on July 1, 2011. The foregoing options held by each of Mr. Owens, through Grace, Ltd., and Mr. Palmer currently expire on July 1, 2018. We intend to amend each of the options to extend the expiration dates to July 1, 2021.

(2) Mr. Smith's option was granted pursuant to an Option Agreement, dated March 7, 2017, and may be exercised only on the occurrence of a change of control. The option expires on the earlier of (i) the termination of Mr. Smith's services, whether as our employee, director or consultant, (ii) March 7, 2027, and (iii) the occurrence of a change of control, after which all unexercised options will be cancelled.

Pension Benefits and Nonqualified Deferred Compensation; 401(k) Plan

We do not provide defined benefit pension benefits. Our Named Executive Officers are eligible to participate in the Construction Partners Holdings, Inc. 401(k) Plan (the "401(k) Plan") on the same basis as other employees who satisfy the 401(k) Plan's eligibility requirements. As such, our Named Executive Officers, along with other 401(k) Plan participants, are eligible for discretionary employer matching contributions and discretionary contributions. Effective January 1, 2017, all 401(k) Plan participants are eligible for employer matching contributions equal to 100% of the participant's elective deferral contributions that are not over 3% of the participant's compensation, plus 50% of the participant's elective deferral contributions that are over 3% of the participant's compensation but not over 5% of compensation.

Potential Payments upon Termination and a Change in Control

Employment Agreements

If FSC terminates Mr. Smith's employment for any reason, with or without Cause (as defined in his employment and non-competition agreement), he will be entitled to continued payment of his retention payments of $25,000 per month until June 30, 2019. In addition, if Mr. Smith's employment with FSC is terminated either voluntarily by Mr. Smith or by FSC for any reason except his death, FSC has the right to elect to enforce a two-year non-compete period, pursuant to which Mr. Smith will be restricted from competing with FSC in road construction, paving, grading, asphalt and any other business activity engaged in by FSC within 75 miles of the city limits of Raleigh, North Carolina. If FSC makes such election, Mr. Smith will be entitled to monthly non-compete payments equal to his then-current monthly base salary for the 24-month non-compete period.

Option Agreement

As described above under "Non-Plan Stock Option Agreements," Mr. Smith has an option to purchase 74,592 shares of our Class B common stock at an exercise price of $0.04 per share in the event of a change of control. The foregoing information regarding Mr. Smith's stock option gives effect to the Reclassification.

Director Compensation

The following table provides information regarding the compensation of our non-employee directors during the fiscal year ended September 30, 2017.

Name	Fees Earned or Paid in Cash ($)	Total ($)
Ned N. Fleming, III	—	—
Mark R. Matteson	—	—
Michael H. McKay	60,000	60,000
David Webb[(1)]	—	—

(1) On November 15, 2017, Mr. Webb resigned from his position as a member of our board of directors.

Our directors who are also our employees will not receive any additional compensation for their service on our board of directors, but we believe that attracting and retaining qualified non-employee directors is critical to our future growth and governance. Accordingly, following the completion of this offering, we expect to pay our non-employee directors an annual retainer, payable in cash or equity, of $110,000, with an additional $220,000 for service as the Executive Chairman, and will reimburse all ordinary and necessary expenses incurred in the conduct of our business.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Review and Approval of Related Party Transactions

In connection with this offering, our Board has adopted a written policy for the review, approval and ratification of transactions with related persons. The policy covers related party transactions between us and any of our executive officers and directors or their respective affiliates, director nominees, 5% or greater security holders or family members of any of the foregoing. Related party transactions covered by this policy are reviewed by our Audit Committee to determine whether the transaction is in our best interests and the best interests of our stockholders. As a result, approval of related party business will be denied if we believe that an employee's interest in such business could influence decisions relative to our business, or have the potential to adversely affect our business or the objective performance of the employee's work.

Historically, our management and board of directors have reviewed and approved related party transactions. The terms of the related party transactions and agreements disclosed in this section were determined by and among affiliated entities and, consequently, are not necessarily the result of arm's length negotiations. Although our management and board of directors believe that the terms of the related party transactions described below are reasonable, it is possible that we could have negotiated more favorable terms for such transactions with unrelated third parties.

Ongoing and Historical Transactions with Related Parties

We have engaged and continue to engage in related party transactions with certain current and former directors, members of management and beneficial holders of more than 5% of our capital stock.

Management Services Agreement

Construction Partners Holdings has a management services agreement with SunTx Capital Management Corp. ("SunTx Capital Management"), an affiliate of SunTx. Pursuant to the agreement, SunTx Capital Management provides management services to Construction Partners Holdings, including management services with respect to financing, business strategies and business development, in return for a monthly fee of $83,333, plus an amount not exceeding 2% of the total value in connection with any acquisition, disposition, debt or equity financings by Construction Partners Holdings and out-of-pocket expenses. The agreement expires on October 1, 2023. For these management services, Construction Partners Holdings paid SunTx Capital Management approximately $1.0 million during the fiscal year ended September 30, 2015, $1.3 million during each of the fiscal years ended September 30, 2016 and 2017, and approximately $0.3 million during the three months ended December 31, 2017. We have contributed $6.5 million of our cash on hand to be held in a reserve account to fund the future payment of fees under our management services agreement with SunTx Capital Management Corp. through the expiration of such agreement on October 1, 2023.

Registration Rights Agreement

We have a registration rights agreement (the "Registration Rights Agreement") with SunTx Fulcrum Fund Prime, L.P., SunTx Fulcrum Dutch Investors Prime, L.P., Squam Lake Investors IV, L.P. and certain other parties thereto. Pursuant to the Registration Rights Agreement, we are required to register under the Securities Act shares of our common stock owned by such holders (the "Registrable Securities") upon their request under the following circumstances:

Demand Registration Rights

Subject to certain restrictions, at any time after six months following the consummation of an initial public offering, holders of at least 20% of our outstanding Registrable Securities may demand that we register at least 50% of the aggregate number of Registrable Securities owned by such requesting holders. We are not obligated to file a registration statement pursuant to these demand provisions on more than two occasions on Form S-1. However, our holders are entitled to make an unlimited number of demands for registration on Form S-3; provided that we will not be obligated to file more than one registration statement on Form S-3 in response to a demand registration statement within six months after the effective date of any registration statement filed by us in response to a demand registration.

Piggy-back Registration Rights

If, at any time, we propose to register an offering of our securities, either for our account or for the account of our other holders, we must give written notice to the holders to allow each to include its shares in the registration, subject to certain marketing and other limitations.

Conditions and Limitations; Expenses

The registration rights are subject to certain conditions and limitations, including the right of the underwriters to limit the number of Registrable Securities to be included in a registration and our right to delay or withdraw registration statement under certain circumstances. We will generally pay all registration expenses in connection with our obligations under the Registration Rights Agreement. The Registration Rights Agreement also provides that we will indemnify our holders against certain liabilities which may arise under the Securities Act and terminates five years after the effective date of our initial public offering.

Other Transactions

On December 31, 2017, we sold a wholly-owned subsidiary to an immediate family member of Mr. Smith, our Senior Vice President, in consideration for a note receivable in the amount of $1.0 million, which approximated net book value of the disposed entity. In connection with this transaction, we also received a note receivable on December 31, 2017 in the amount of $0.9 million representing certain accounts payable of the disposed subsidiary that were paid by us. Principal and interest payments are scheduled to be made in periodic installments from January 2018 through December 2023.

On January 30, 2015, FSC entered into a master services subcontract with Austin Trucking, LLC (“Austin Trucking”), an entity owned by an immediate family member of Mr. Smith, our Senior Vice President. Pursuant to the agreement, Austin Trucking performs subcontract work for FSC, including trucking services. For these subcontract services, we incurred costs of approximately $10.9 million, $11.0 million and $11.8 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $2.9 million during the three months ended December 31, 2017. At September 30, 2015, September 30, 2016, September 30, 2017 and December 31, 2017, we had $0.7 million, $0.6 million, $1.0 million, and $0.4 million, respectively, due to Austin Trucking reflected in accounts payable.

From time to time, we provide construction services to various companies owned by Fred J. Smith, Jr., the father of Mr. Smith, our Senior Vice President. For these services, we earned approximately $2.0 million, $2.0 million and $6.3 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $1.3 million during the three months ended December 31, 2017. At September 30, 2015, September 30, 2016, September 30,

2017 and December 31, 2017, we had $3.0 million, $2.7 million, $5.3 million and $6.3 million, respectively, due from these companies reflected in contracts receivable.

FSC pays a consulting fee to Fred J. Smith, Jr. FSC paid Fred J. Smith, Jr. approximately $0.2 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $42,600 during the three months ended December 31, 2017.

FSC rents vehicles from Fred Smith Company, an entity owned by Fred J. Smith, Jr. The vehicles are rented on a month-to-month basis. FSC paid the Fred Smith Company approximately $0.9 million, $1.4 million and $1.2 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $0.3 million during the three months ended December 31, 2017.

For corporate events, we charter a boat from Deep South Adventures, LLC, which is owned by Mr. Harper, our Senior Vice President. We paid Deep South Adventures, LLC approximately $0.4 million, $0.4 million and $0.3 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $33,000 during the three months ended December 31, 2017.

Harper Law Firm, LLC ("Harper Law Firm"), a law firm owned by the wife of Mr. Harper, provides legal services to WCC. For this legal work, WCC paid Harper Law Firm approximately $0.2 million, $0.3 million and $0.3 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $58,265 during the three months ended December 31, 2017.

On June 1, 2014, Construction Partners Holdings entered into an access agreement with Island Pond Corporate Services, LLC ("Island Pond") regarding certain property owned by affiliates of Ned N. Fleming, III, one of our founders and the Executive Chairman of the Board of Directors as well as Managing Partner of SunTx. Pursuant to the agreement, Island Pond grants Construction Partners Holdings the non-exclusive right to use that certain land located in Baker County, Georgia for the purposes of business development. Pursuant to the terms of the agreement, Construction Partners Holdings paid Island Pond approximately $0.3 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $80,000 during the three months ended December 31, 2017.

WCC leases office space for the Dothan, Alabama office from H&K, Ltd., an entity partly owned by Mr. Harper. Mr. Harper is the general partner of H&K, Ltd. The office space is leased through January 1, 2020. Under the lease agreement, WCC pays a fixed minimum rent of $7,000 per month. Pursuant to the terms of the lease agreement, WCC paid H&K, Ltd. approximately $0.1 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $21,000 during the three months ended December 31, 2017.

Since 2004, WCC has employed Brandon Owens, the son of Mr. Owens, one of our founders and our President and Chief Executive Officer. Pursuant to the employment arrangement, Brandon Owens is the Vice President of Operations at WCC. Under the employment arrangement, WCC paid Brandon Owens $254,461, $298,461 and $337,538 during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $174,250 during the three months ended December 31, 2017.

Since April 2015, we have employed Nelson Fleming, the son of Mr. Fleming, III. Pursuant to the employment arrangement, Nelson Fleming serves as our Director of Acquisition and Strategy Development. In connection with his employment, we paid Nelson Fleming $27,628, $70,619 and $95,750 during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $76,250 for the three months ended December 31, 2017. Additionally, on August 22, 2016, Nelson Fleming was granted options to purchase 26,460 shares of our common

stock at an exercise price per share of $3.37, which options he has exercised in full. On February 23, 2018, Nelson Fleming was granted 35,280 restricted shares of our Class B common stock under the 2016 Plan, 17,640 of which vested on the date of grant and 17,640 of which will vest on July 1, 2018. The foregoing information regarding Nelson Fleming's options and restricted shares gives effect to the Reclassification.

WCC leases office space for its Montgomery, Alabama office from H&A Properties LLC, an entity owned by Mr. Harper and Mr. Armstrong, two of our Senior Vice Presidents. The office space is leased through early 2020. Under the lease agreement, WCC pays a fixed minimum rent of $5,500 per month. Pursuant to the terms of the lease agreement, WCC paid H&A Properties LLC approximately $0.1 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $16,500 during the three months ended December 31, 2017.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information at April 23, 2018 with respect to the beneficial ownership of our Class A common stock and our Class B common stock (i) immediately prior to this offering on a pro forma basis after giving effect to the Reclassification and (ii) as adjusted to reflect the sale of 11,250,000 shares of our Class A common stock in this offering, in each case by:

- the selling stockholders;
- each stockholder known by us to be the beneficial owner of more than 5% of the outstanding shares of our Class A common stock or our Class B common stock;
- each of our directors;
- each of our Named Executive Officers; and
- all of our directors and executive officers as a group.

For purposes of the following table, we assume that the allocation between us and the selling stockholders of the 11,250,000 shares being sold in this offering will be 6,750,000 and 4,500,000, respectively. However, the portion of the 11,250,000 shares of Class A common stock sold by us in this offering may increase. This would result in more shares of Class B common stock remaining outstanding after the completion of this offering and the holders of the Class B common stock having a higher percentage of total voting power.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated in the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of our Class A common stock or our Class B common stock that they beneficially own. Except as indicated in the footnotes below, based on the information furnished to us by or on behalf of the selling stockholders, no selling stockholder is a broker-dealer or an affiliate thereof.

In the table below, the applicable percentage ownership relating to shares beneficially owned prior to this offering is based on no shares of our Class A common stock outstanding and 41,817,537 shares of our Class B common stock outstanding at April 23, 2018 on a pro forma basis after giving effect to the Reclassification. The applicable percentage ownership relating to shares beneficially owned after this offering is based on 11,250,000 shares of our Class A common stock and 37,317,537 shares of our Class B common stock outstanding at April 23, 2018 on a pro forma basis after giving effect to the Reclassification (or 12,937,500 shares of our Class A common stock and 35,630,037 shares of our Class B common stock if the underwriters' option to purchase additional shares is exercised in full). Beneficial ownership as reported in the table below has been determined in accordance with Rule 13d-3 under the Exchange Act. In computing the number of shares beneficially owned by a person or entity and the percentage ownership of that person or entity, we deemed to be outstanding all shares of our Class A common stock and our Class B common stock subject to options held by that person or entity that are currently exercisable or that will become exercisable within 60 days of April 23, 2018. Unless otherwise indicated in the footnotes below, the address of each beneficial owner listed in the table below is c/o Construction Partners, Inc., 290 Healthwest Drive, Suite 2, Dothan, Alabama 36303.

	Shares Beneficially Owned Prior to this Offering				% of Total Voting Power Before this Offering	Number of Shares Being Offered	Shares Beneficially Owned After this Offering				% of Total Voting Power After this Offering
	Class A		Class B				Class A		Class B		
Name of Beneficial Owner	Shares	%	Shares(1)	%			Shares	%	Shares	%	
Selling Stockholders and other 5% Stockholders											
SunTx CPI Expansion Fund, L.P.(1)	—	—	19,647,134	47.0%	47.0%	2,310,017	—	—	17,337,117	46.5%	45.1%
SunTx Fulcrum Fund Prime, L.P.(1)	—	—	11,621,610	27.8%	27.8%	1,366,412	—	—	10,255,198	27.5%	26.7%
SunTx Fulcrum Dutch Investors Prime, L.P.(1)	—	—	6,327,316	15.1%	15.1%	743,935	—	—	5,583,381	15.0%	14.5%
Squam Lake Investors IV, L.P.(2)	—	—	677,325	1.6%	1.6%	79,636	—	—	597,689	1.6%	1.5%
Grace, Ltd.(3)	—	—	2,662,913	6.3%	6.3%	—	—	—	2,662,913	7.1%	6.9%
Directors and Named Executive Officers											
Ned N. Fleming, III(4)		—	37,596,060	89.9%	89.9%	—	—	—	33,175,696	88.9%	86.3%
Craig Jennings(4)	—	—	37,596,060	89.9%	89.9%	—	—	—	33,175,696	88.9%	86.3%
Mark R. Matteson(4)	—	—	37,596,060	89.9%	89.9%	—	—	—	33,175,696	88.9%	86.3%
Michael H. McKay	—	—	35,406	*	*	—	—	—	35,406	*	*
Stefan L. Shaffer	—	—	—	*	*	—	—	—	—	*	*
Charles E. Owens(5)	—	—	2,662,913	6.3%	6.3%	—	—	—	2,662,913	7.1%	6.9%
R. Alan Palmer(6)	—	—	556,570	1.3%	1.3%	—	—	—	556,570	1.5%	1.4%
F. Julius Smith, III(7)	—	—	101,052	*	*	—	—	—	101,052	*	*
Directors and Executive Officers as a Group (12 persons)	—	—	41,350,984	97.1%	97.1%	—	—	—	36,930,620	97.0%	94.2%

* Represents less than 1%.

† Represents the voting power with respect to all shares of our Class A common stock and Class B common stock, voting as a single class. Each share of Class A common stock will be entitled to one vote per share and each share of Class B common stock will be entitled to ten votes per share. The Class A common stock and Class B common stock will vote together on all matters (including the election of directors) submitted to a vote of stockholders, except under limited circumstances described in the section titled "Description of Our Capital Stock—Common Stock—Voting Rights."

(1) SunTx CPI Expansion Fund GP, L.P. ("SunTx Expansion Fund GP") is the general partner of SunTx Expansion Fund, L.P. ("SunTx Expansion Fund"), and SunTx Capital Partners L.P. ("SunTx Partners GP") is the general partner of each of SunTx Fulcrum Fund Prime, L.P. ("SunTx Fulcrum Fund") and SunTx Fulcrum Dutch Investors Prime, L.P. ("SunTx Fulcrum Dutch Fund" and, together with SunTx Expansion Fund and SunTx Fulcrum Fund, the "SunTx Funds"). Each of Mr. Fleming, as the sole shareholder and director of SunTx Capital Management Corp. ("SunTx Capital Management"), SunTx Capital Management, as the general partner of each of SunTx Expansion Fund GP and SunTx Partners GP, SunTx Expansion Fund GP, as the general partner of SunTx Expansion Fund, and SunTx Partners GP, as the general partner of each of SunTx Fulcrum Fund and SunTx Fulcrum Dutch Fund, may be deemed to beneficially own shares held by the SunTx Funds. Additionally, Messrs. Jennings and Matteson, as executive officers of SunTx Capital Management, may be deemed to beneficially own shares held by the SunTx Funds. Each of Mr. Fleming, SunTx Capital Management, SunTx Expansion Fund GP and SunTx Partners GP disclaims any beneficial ownership of such shares

except to the extent of any proportionate pecuniary interest therein. The address of each of Mr. Fleming, Mr. Jennings, Mr. Matteson, SunTx Management, SunTx Expansion Fund GP, SunTx Partners GP and the SunTx Funds is c/o SunTx Capital Management Corp., 5420 LBJ Freeway, Suite 1000, Dallas, Texas 75240.

(2) The business address of Squam Lake Investors IV, L.P. is c/o Bain & Company, Inc. 131 Dartmouth St., Boston, Massachusetts 02116.

(3) Mr. Owens, our Chief Executive Officer, is the general partner of Grace Ltd. As the general partner of Grace Ltd., Mr. Owens may be deemed to beneficially own shares held by Grace Ltd. The shares beneficially owned by Mr. Grace include 2,424,139 shares of Class B common stock held by Grace Ltd. and non-plan stock options, granted on March 31, 2010 to Grace Ltd., to purchase 238,773 shares of our Class B common stock at an exercise price of $5.70 per share, which vested in three substantially equal installments on each of the following dates: July 1, 2012, July 1, 2013 and July 2014. Currently, the expiration of the options is July 1, 2018. However, as set forth in "Executive Compensation", the Company intends to amend the option to extend the expiration date to July 1, 2021. The business address of Grace Ltd. is 10 Chateau Place, Dothan, Alamaba 36303.

(4) Consists of shares of our Class B common stock held by the SunTx Funds. See footnote 1 above.

(5) Consists of shares of our Class B common stock held by Grace Ltd. See footnote 2 above.

(6) Includes non-plan stock option, granted March 31, 2010, to purchase 394,308 shares of our Class B common stock at an exercise price of $5.70 per share, which vested in three substantially equal installments on each of the following dates: July 1, 2012, July 1, 2013 and July 2014. Currently, the expiration of the options is July 1, 2018. However, as set forth in "Executive Compensation", the Company intends to amend the option to extend the expiration date to July 1, 2021. Additionally, this also includes 35,280 restricted shares of our Class B common stock, granted on February 23, 2018 under our 2016 Plan, 17,640 shares of which vested on the date of grant and 17,640 shares of which will vest on July 1, 2018.

(7) Includes non-plan stock option, granted March 7, 2017, to purchase 74,592 shares of our Class B common stock at an exercise price of $0.04 per share, which was fully vested on the date of grant but is only exercisable during a change of control, as defined in the option agreement.

Name of Beneficial Owner	Number of Additional Shares to be Sold if the Underwriters' Option is Exercised in Full	Shares Beneficially Owned After this Offering if the Underwriters' Option is Exercised in Full				% of Total Voting Power After Our Initial Public Offering[1]
		Class A		Class B		
		Shares	%	Shares	%	
Selling Stockholders and other 5% Stockholders						
SunTx CPI Expansion Fund, L.P.	866,256	—	—	16,470,861	46.2%	44.8%
SunTx Fulcrum Fund Prime, L.P.	512,404	—	—	9,742,794	27.3%	26.5%
SunTx Fulcrum Dutch Investors Prime, L.P.	278,976	—	—	5,304,405	14.9%	14.4%
Squam Lake Investors IV, L.P.	29,864	—	—	567,825	1.6%	1.5%
Grace, Ltd.	—	—	—	2,662,913	7.4%	7.2%
Directors and Named Executive Officers						
Ned N. Fleming, III	—	—	—	—	88.5%	85.8%
Craig Jennings	—	—	—	—	88.5%	85.8%
Mark R. Matteson	—	—	—	—	88.5%	85.8%
Michael H. McKay	—	—	—	35,406	*	*
Stefan L. Shaffer	—	—	—	—	*	*
Charles E. Owens	—	—	—	2,662,913	7.4%	7.2%
R. Alan Palmer	—	—	—	556,570	1.5%	1.5%
F. Julius Smith, III	—	—	—	101,052	*	*
Directors and Executive Officers as a Group (12 persons)	1,657,636	—	—	35,272,984	96.9%	93.6%

* Represents less than 1%.

† Represents the voting power with respect to all shares of our Class A common stock and Class B common stock, voting as a single class. Each share of Class A common stock will be entitled to one vote per share and each share of Class B common stock will be entitled to ten votes per share. The Class A common stock and Class B common stock will vote together on all matters (including the election of directors) submitted to a vote of stockholders, except under limited circumstances described in the section titled "Description of Our Capital Stock—Common Stock—Voting Rights."

Each of the selling stockholders in this offering is deemed to be an underwriter within the meaning of Section 2(a)(11) of the Securities Act.

The number of shares sold by the selling stockholders in this offering may be decreased, and the number of shares sold by the Company may be increased share-for-share, if the price per share is less than the assumed initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus) or if the number of shares of our Class A common stock sold in this offering is less than 11,250,000. At an assumed initial public offering price of $16.00 per share (the midpoint of the range set forth on the cover of this prospectus) and an assumed offering size of 11,250,000 shares of our Class A common stock, the Company will sell 60% of the shares in this offering and the selling stockholders will sell 40% of the shares in this offering. Assuming an offering size of 11,250,000 shares, each 10% increase in the percentage of shares sold by the Company in this offering would:

- decrease the percentage of shares sold by the selling stockholders by 10%;
- increase the number of outstanding shares of our Class A common stock and Class B common stock by 1,125,000 each;
- decrease the percentage of total equity ownership by holders of our Class A common stock by approximately 0.5%;
- increase the percentage of total equity ownership by holders of our Class B common stock by approximately 0.5%;
- decrease the percentage of total voting power by holders of our Class A common stock by approximately 0.1%;
- increase the percentage of total voting power by holders of our Class B common stock by approximately 0.1%; and
- decreases the dilution to purchasers in this offering by approximately $0.20 to $0.23 per share, depending on the offering price.

DESCRIPTION OF OUR CAPITAL STOCK

The following is a description of the material terms of, and is qualified in its entirety by, our amended and restated certificate of incorporation and our amended and restated bylaws, each of which will become effective prior to the pricing of this offering. Our amended and restated certificate of incorporation and amended and restated bylaws will be approved prior to this offering by our existing stockholders. Copies of these documents will be filed with the SEC as exhibits to the registration statement of which this prospectus is a part. The description of our capital stock reflects changes to our capital structure that will occur upon the completion of this offering.

Upon the completion of this offering, our authorized capital stock will consist of 400,000,000 shares of our Class A common stock, par value $0.001 per share, 100,000,000 shares of our Class B common stock, par value $0.001 per share and 10,000,000 shares of undesignated preferred stock, par value $0.001 per share. No shares of undesignated preferred stock will be issued or outstanding immediately after the completion of this offering. Unless our board of directors determines otherwise, we will issue all shares of our capital stock in uncertificated form.

Common Stock

Our amended and restated certificate of incorporation will provide for a dual class common stock structure consisting of our Class A common stock and our Class B common stock. Shares of our Class A common stock and our Class B common stock are identical in all respects, except with respect to voting rights, conversion rights and transfer restrictions applicable to shares of our Class B common stock, as described below.

Voting Rights

The holders of our Class A common stock will be entitled to one vote per share, and the holders of our Class B common stock will be entitled to ten votes per share. The holders of our Class A common stock and our Class B common stock will vote together as a single class on all matters submitted to a vote of stockholders, including the election of directors, unless otherwise required by applicable law, our amended and restated certificate of incorporation or our amended and restated bylaws. For example, our amended and restated certificate of incorporation will provide that certain amendments thereto affecting the voting power of our Class B common stock require the affirmative vote or written consent of a majority of the holders of the then outstanding shares of our Class B common stock, voting as a separate class. Furthermore, the DGCL requires holders of our Class A common stock or our Class B common stock, as the case may be, to vote separately as a single class if we were to seek to amend our amended and restated certificate of incorporation:

- to increase or decrease the par value of that class; or
- in a manner that alters or changes the powers, preferences or special rights of that class in a manner that would adversely affect its holders.

The holders of each class of our common stock do not have cumulative voting rights in the election of directors.

Dividend Rights

Holders of our Class A common stock and our Class B common stock will be entitled to receive dividends at the same rate if, as and when declared by our board of directors, out of our legally available assets, in cash, property, shares of our common stock or other securities, after the payment of dividends required to be paid on our outstanding preferred stock, if any. See "—Dividends."

If we pay a dividend or distribution on our Class A common stock, payable in shares of our Class A common stock, we will also be required to pay a pro rata and simultaneous dividend or distribution on our Class B common stock,

payable in shares of our Class B common stock. Similarly, if we pay a dividend or distribution on our Class B common stock, payable in shares of our Class B common stock, we will also be required to make a pro rata and simultaneous dividend or distribution on our Class A common stock, payable in shares of our Class A common stock.

The Compass Credit Agreement imposes restrictions on our ability to declare a cash dividend on our common stock, unless, after giving effect to such dividend, we would be in compliance with the financial covenants therein and at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

Distributions in Connection with Mergers or Other Business Combinations

Upon a merger, consolidation or substantially similar transaction, holders of each class of our common stock are entitled to receive equal per share payments or distributions, except that: (i) in any transaction in which shares of our capital stock are distributed, such shares distributed to the holder of a share of our Class B common stock may have ten times the voting power of any shares distributed to the holder of a share of our Class A common stock; and (ii) shares of one class of our common stock may receive disproportionate distributions or payments if such merger, consolidation or similar transaction is approved by the affirmative vote (or written consent) of the holders of a majority of the outstanding shares of our Class A common stock and our Class B common stock, each voting as a separate class.

Liquidation Rights

Upon our liquidation, dissolution or winding up or upon a sale or disposition of all or substantially all of our assets, the assets legally available for distribution to our stockholders will be distributable ratably among the holders of our Class A common stock and our Class B common stock treated as a single class, subject to the prior satisfaction of all outstanding debts and other liabilities and the preferential rights and liquidation preferences to be paid on our outstanding preferred stock, if any.

Conversion and Restrictions on Transfer

Our Class A common stock will not be convertible into any other shares of our capital stock. Shares of our Class B common stock will be convertible at any time as follows: (i) at the option of the holder thereof, a share of our Class B common stock may be converted into one share of our Class A common stock; or (ii) upon the election of the holders of a majority of the then-outstanding shares of our Class B common stock, all outstanding shares of our Class B common stock will be converted into shares of our Class A common stock. In addition, each share of our Class B common stock will convert automatically into one share of our Class A common stock upon any transfer, whether or not for value, except for certain transfers that will be described in our amended and restated certificate of incorporation, including transfers to SunTx and its affiliates, transfers that have been consented to in writing in advance by the holders of a majority of the shares of our Class B common stock then held by SunTx and its affiliates, and certain transfers to trusts or for estate planning purposes. Once converted into shares of our Class A common stock, shares of our Class B common stock will not be reissued.

Protective Provision

Our amended and restated certificate of incorporation will provide that we will not, whether by merger, consolidation or otherwise, amend, alter, repeal or waive certain provisions of our amended and restated certificate of incorporation, or adopt any provision inconsistent therewith or effect any reclassification of the shares

of our Class A common stock or our Class B common stock, unless such action is first approved by the affirmative vote or written consent of the holders of a majority of the then-outstanding shares of our Class B common stock, voting as a separate class, and, to the fullest extent permitted by law, the holders of our Class A common stock will have no right to vote thereon. However, this provision is subject to any other vote required by applicable law, and under Section 242(b)(2) of the DGCL, holders of our Class A common stock would be entitled to vote as a class upon a proposed action, whether or not entitled to vote by our amended and restated certificate of incorporation, if such action would increase or decrease the par value of our Class A common stock, or alter or change the powers, preferences or special rights thereof so as to affect them adversely.

Other Matters

Our amended and restated certificate of incorporation will not entitle holders of either class of our common stock to preemptive rights. No redemption or sinking fund provisions are applicable to either class of our common stock. Neither class of our common stock may be subdivided or combined in any manner unless the other class of our common stock is subdivided or combined in the same proportion. All outstanding shares of each class of our common stock are, and the shares of our Class A common stock to be sold in this offering will be, fully paid and non-assessable.

Preferred Stock

Our amended and restated certificate of incorporation will authorize our board of directors to establish one or more series of preferred stock. Unless required by law or by any rules adopted by The Nasdaq Global Select Market, these authorized shares of preferred stock will be available for issuance without further action by our stockholders. Our board of directors is able to determine, with respect to any series of preferred stock, the terms and rights of such series, including:

- the number of shares constituting such series and the distinctive designation thereof;
- the dividend rate(s) on the shares of such series, the terms and conditions upon which and the periods in respect of which dividends shall be payable, whether dividends shall be cumulative, and, if so, from which date(s), and the relative rights of priority, if any, of payment of dividends on shares of such series;
- whether such series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms thereof;
- whether such series shall have conversion privileges, and, if so, the terms and conditions thereof, including provision for adjustment of the conversion rate in such events as our board of directors shall determine;
- whether or not the shares of such series shall be redeemable, and, if so, the terms and conditions thereof, including the date(s) upon or after which they shall be redeemable, and the amount per share payable in the event of redemption, which amount may vary under different conditions and at different redemption dates;
- whether such series shall have a sinking fund for the redemption or purchase of shares of such series, and, if so, the terms and amount thereof;
- the rights of the shares of such series in the event of our voluntary or involuntary liquidation, distribution of assets, dissolution or winding up, and the relative rights of priority, if any, of payment of shares of such series; and
- any other relative rights, powers and preferences, and the qualifications, limitations and restrictions thereof, of such series.

We could issue a series of preferred stock that, depending on its terms, may impede or discourage an acquisition attempt or other transaction that some, or a majority, of our stockholders might believe to be in their best interests or in which you might receive a premium over the market price for your shares of our Class A common stock. Additionally, the issuance of preferred stock may adversely affect the holders of our Class A common stock by restricting dividends on our Class A common stock, diluting the voting power of our Class A common stock or subordinating the liquidation rights of our Class A common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our Class A common stock.

Dividends

The DGCL permits a corporation to declare and pay dividends out of "surplus" or, if there is no "surplus," out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. "Surplus" is defined as the excess of a corporation's net assets over the amount determined to be a corporation's capital by its board of directors. The capital of a corporation is typically calculated to be, and cannot be less than, the aggregate par value of all issued shares of capital stock. Net assets equals the fair value of the total assets minus total liabilities. The DGCL also provides that a dividend may not be paid out of net profits if, after the payment of such dividend, capital is less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets.

The declaration and payment of any dividend will be subject to the discretion of our board of directors. The time and amount of any dividend will be dependent upon our financial condition, operations, cash requirements and availability, debt repayment obligations, capital expenditure needs, restrictions in our debt instruments, industry trends, the provisions of Delaware law affecting the payment of dividends to stockholders and any other factors our board of directors may consider relevant.

We currently intend to retain all available funds and any future earnings for use in the operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. See "Dividend Policy."

Related Party Transactions and Corporate Opportunities

Subject to the limitations of applicable law, our amended and restated certificate of incorporation, among other things, will:

- permit us to enter into transactions with entities in which one or more of our officers or directors are financially or otherwise interested so long as it has been approved by our board of directors;
- permit any of our stockholders, officers or directors to conduct business that competes with us and to make investments in any kind of property in which we may make investments; and
- provide that if any director or officer of one of our affiliates who is also one of our officers or directors becomes aware of a potential business opportunity, transaction or other matter, other than one expressly offered to that director or officer in writing solely in his or her capacity as our director or officer, that director or officer will have no duty to communicate or offer that opportunity to us, and will be permitted to communicate or offer that opportunity to such affiliates and that director or officer will not be deemed to have (i) acted in a manner inconsistent with his or her fiduciary or other duties to us regarding the opportunity or (ii) acted in bad faith or in a manner inconsistent with our best interests.

Anti-takeover Effects of Provisions of Delaware Law, Our Amended and Restated Certificate of Incorporation and Our Amended and Restated Bylaws

Our amended and restated certificate of incorporation and our amended and restated bylaws will, and the DGCL does, contain provisions that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors. These provisions are intended to avoid costly takeover battles, reduce our vulnerability to a hostile change of control and enhance the ability of our board of directors to maximize stockholder value in connection with any unsolicited offer to acquire us. However, these provisions may have an anti-takeover effect and may delay, deter or prevent a merger or acquisition of our Company by means of a tender offer, a proxy contest or other takeover attempt that some, or a majority, of our stockholders might believe to be in their best interests, including those attempts that might result in a premium over the prevailing market price for the shares of our Class A common stock held by stockholders.

Dual Class Structure

As described in "—Common Stock—Voting Rights," our amended and restated certificate of incorporation will provide for a dual class common stock structure under which each share of our Class A common stock will have one vote per share and each share of our Class B common stock will have ten votes per share. Because of this dual class structure, certain of our stockholders will be able to control all matters submitted to our stockholders for approval, even if they own significantly less than 50% of the aggregate number of shares of all classes of our outstanding common stock. This concentrated control could discourage others from initiating a potential merger, takeover or other change of control transaction that other stockholders may view as being in their best interests.

Authorized but Unissued Capital Stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of The Nasdaq Global Select Market, which would apply if and so long as our Class A common stock remains listed thereon, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of our Class A common stock. These additional shares may be used for a variety of corporate purposes, including to raise additional capital or to facilitate acquisitions.

Our board of directors may generally issue shares of preferred stock on terms calculated to discourage, delay or prevent a change of control of our Company or the removal of our management. Moreover, our authorized but unissued shares of preferred stock may be available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved shares of our Class A common stock, Class B common stock or preferred stock may be to enable our board of directors to issue such shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our Company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive stockholders of opportunities to sell their shares of our Class A common stock at prices higher than prevailing market prices.

Classified Board

Our amended and restated certificate of incorporation will provide that our board of directors will be divided into three classes, with the classes to be as nearly equal in number as possible, and with the directors serving three-year terms. As a result, approximately one-third of our board of directors will be elected each year. This classification of directors will make it more difficult for stockholders to change the composition of our board of directors. Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that, subject to any rights of holders of preferred stock, if any, to elect additional directors under specified circumstances, the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by our board of directors.

In connection with this offering, our board of directors has divided our directors as follows: Mr. Fleming and Mr. Owens are class I directors with terms ending at our 2019 annual meeting of stockholders; Mr. Jennings and Mr. Matteson are class II directors with terms ending at our 2020 annual meeting of stockholders; and Mr. McKay and Mr Shaffer are class III directors with terms ending at our 2021 annual meeting of stockholders.

Business Combinations

While we have opted out of Section 203 of the DGCL, our amended and restated certificate of incorporation will contain similar provisions providing that we may not engage in certain "business combinations" with any "interested stockholder" for a three-year period following the time that such stockholder became an interested stockholder, unless:

- prior to such time, our board of directors approved either the business combination or the transaction which resulted in such stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in such stockholder becoming an interested stockholder, such stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to such time, the business combination is approved by our board of directors and by the affirmative vote of holders of at least 66 2/3% of our outstanding voting stock that is not owned by such stockholder.

Generally, a "business combination" includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an "interested stockholder" is a person who, together with his, her or its affiliates and associates, owns, or within the previous three years owned, 15% or more of our voting stock. For purposes of this section only, "voting stock" means stock of any class or series entitled to vote generally in the election of directors.

Under certain circumstances, this provision will make it more difficult for a person who would be an interested stockholder to effect various business combinations with our Company for a three-year period. This provision may encourage companies interested in acquiring our Company to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction which results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions which stockholders may otherwise deem to be in their best interests.

Our amended and restated certificate of incorporation will provide that SunTx and its affiliates, any of their respective direct or indirect transferees and any group as to which such persons are a party do not constitute interested stockholders for purposes of this provision.

Removal of Directors; Vacancies

Under the DGCL, unless otherwise provided in a corporation's certificate of incorporation, directors serving on a classified board may be removed by stockholders only for cause. Our amended and restated certificate of incorporation will provide that directors may be removed with or without cause upon the affirmative vote of a majority in voting power of all then-outstanding shares of stock entitled to vote thereon, voting together as a single class; provided, however, that once no shares of our Class B common stock remain outstanding, directors may only be removed for cause, and then only by the affirmative vote of holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock entitled to vote thereon, voting together as a single class. In addition, our amended and restated certificate of incorporation will provide that, subject to the rights granted to one or more series of preferred stock then outstanding, if any, any vacancies on our board of directors will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, by a sole remaining director or by the stockholders; provided, however, that once no shares of our Class B common stock remain outstanding, any newly created directorship on our board of directors that results from an increase in the number of directors and any vacancy occurring on our board of directors may only be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director and not by stockholders.

No Cumulative Voting

Under Delaware law, the right to vote cumulatively does not exist unless a corporation's certificate of incorporation specifically authorizes cumulative voting. Our amended and restated certificate of incorporation will not authorize cumulative voting. Therefore, stockholders holding a majority in voting power of the shares of our stock entitled to vote generally in the election of directors will be able to elect all our directors.

Special Stockholder Meetings

Our amended and restated certificate of incorporation will provide that special meetings of our stockholders may be called at any time only by or at the direction of our board of directors, the Executive Chairman of the Board of Directors or our Chief Executive Officer; provided, however, that special meetings of our stockholders shall also be called by our board of directors, the Executive Chairman of the Board of Directors or our Chief Executive Officer at the request of the holders of 25% of our Class B common stock. Our amended and restated bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deterring, delaying or discouraging hostile takeovers, or changes in control or management of our Company.

Requirements for Advance Notification of Director Nominations and Stockholder Proposals

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee thereof. In order for any matter to be "properly brought" before a meeting, a stockholder will have to comply with advance notice requirements and provide us with certain information. Generally, to be timely, a stockholder's notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the immediately preceding annual meeting of stockholders. Our amended and restated bylaws will also specify requirements as to the form and content of a stockholder's notice. Our amended and restated bylaws will allow the chairman of the meeting at a meeting of the stockholders to adopt rules and regulations for the conduct of meetings that may have the effect of precluding the conduct of certain business at a meeting if such rules and regulations are not followed. These provisions may also deter, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect his, her or its own slate of directors or otherwise attempting to influence or obtain control of our Company.

Stockholder Action by Written Consent

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent(s) in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock entitled to vote thereon were present and voted, unless such corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will permit stockholder action by written consent until such time as no shares of our Class B common stock remain outstanding.

Supermajority Provisions

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that our board of directors is expressly authorized to make, alter, amend, change, add to, rescind or repeal, in whole or in part, our amended and restated bylaws without a stockholder vote in any matter. For as long as shares of our

Class B common stock remain outstanding, any alteration, amendment, change, addition, rescission or repeal of our amended and restated bylaws by our stockholders will require the affirmative vote of a majority in voting power of the outstanding shares of our stock present in person or represented by proxy and entitled to vote on such alteration, amendment, change, addition, rescission or repeal. Once no shares of our Class B common stock remain outstanding, any alteration, amendment, change, addition, rescission or repeal of our amended and restated bylaws by our stockholders will require the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class.

The DGCL provides generally that the affirmative vote of a majority of the outstanding shares entitled to vote thereon, voting together as a single class, is required to amend a corporation's certificate of incorporation, unless the certificate of incorporation requires a greater percentage. Our amended and restated certificate of incorporation will provide that once no shares of our Class B common stock remain outstanding, the following provisions of our amended and restated certificate of incorporation may be altered, amended, changed, added to, rescinded or repealed only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class:

- the provision requiring a 66 2/3% supermajority vote for stockholders to amend our amended and restated bylaws;
- the provisions providing for a classified board of directors;
- the provisions regarding the resignation and removal of directors;
- the provisions regarding competition and corporate opportunities;
- the provisions regarding entering into business combinations with interested stockholders;
- the provisions regarding stockholder action by written consent;
- the provisions regarding calling special meetings of stockholders;
- the provisions regarding the filling of vacancies on our board of directors and newly created directorships;
- the provisions eliminating monetary damages for breaches of fiduciary duties by a director; and
- the amendment provision requiring that the above provisions be amended only with a 66 2/3% supermajority vote.

The combination of the classification of our board of directors, the lack of cumulative voting and the supermajority voting requirements will make it more difficult for our existing stockholders to replace our board of directors, as well as for another party to obtain control of us by replacing our board of directors. Because our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management.

These provisions may have the effect of deterring hostile takeovers, delaying or preventing changes in control of our management or our Company, such as a merger, reorganization or tender offer. These provisions are intended to enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of us. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions are also intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our shares that could result from actual or rumored takeover attempts. Such provisions may also have the effect of preventing changes in management.

Dissenters' Rights of Appraisal and Payment

Under the DGCL, with certain exceptions, our stockholders will have appraisal rights in connection with a merger or consolidation involving our Company. Pursuant to the DGCL, stockholders who properly request and perfect appraisal rights in connection with such merger or consolidation will have the right to receive payment of the fair value of their shares as determined by the Delaware Court of Chancery.

Stockholders' Derivative Actions

Under the DGCL, any of our stockholders may bring an action in our name to procure a judgment in our favor (a "derivative action"), provided that the stockholder bringing the action is a holder of our shares at the time of the transaction to which the action relates or such stockholder's stock thereafter devolved by operation of law.

Exclusive Forum

Our amended and restated certificate of incorporation will provide, subject to limited exceptions, that unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for any: (i) derivative action or proceeding brought on behalf of our Company; (ii) action asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee or stockholder of our Company to our Company or our stockholders, creditors or other constituents; (iii) action asserting a claim against our Company or any director or officer of our Company arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; or (iv) action asserting a claim against our Company or any director or officer of our Company governed by the internal affairs doctrine, in each such case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation. However, the enforceability of similar forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions unenforceable.

Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our amended and restated certificate of incorporation will renounce, to the maximum extent permitted from time to time by Delaware law, any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to our officers, directors or stockholders or their respective affiliates, other than those officers, directors, stockholders or affiliates who are our or our subsidiaries' employees. Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, each of SunTx or any of its affiliates or any non-employee director or his or her affiliates will have no duty to refrain from (i) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that SunTx or any non-employee director acquires knowledge of a potential transaction or other business opportunity that may be a corporate opportunity for itself, himself or herself or its, his or her affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and may take such opportunity for themselves or offer it to another person or entity. Our amended and restated certificate of incorporation will not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director of our Company. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our amended and restated certificate of incorporation, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

Limitations on Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties, subject to certain exceptions. Our amended and restated certificate of incorporation will include a provision that eliminates the personal liability of our directors for monetary damages for any breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL. The effect of these provisions is to eliminate the rights of us and our stockholders, through stockholders' derivative suits on our behalf, to recover monetary damages from a director for the breach of a fiduciary duty as a director, including breaches resulting from grossly negligent behavior. However, exculpation does not apply to any director if such director has acted in bad faith, knowingly or intentionally violated the law, authorized illegal dividends or redemptions or derived an improper benefit from his or her actions as a director.

Our amended and restated bylaws will provide that we must generally indemnify, and advance expenses to, our directors and officers to the fullest extent authorized by the DGCL. We also are expressly authorized to carry directors' and officers' liability insurance providing indemnification for our directors, officers and certain employees for certain liabilities. We believe that these indemnification and advancement provisions and insurance are useful to attract and retain qualified directors and officers.

The limitation of liability, indemnification and advancement provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for a breach of their fiduciary duties. These provisions also may have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Transfer Agent and Registrar

Continental Stock Transfer & Trust Company will be the transfer agent and registrar for each class of our common stock.

Listing

We have applied to list our Class A common stock on The Nasdaq Global Select Market under the symbol "ROAD." Our Class B common stock is not anticipated to be listed on any stock market or exchange.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock, and we cannot predict what effect, if any, market sales of shares of our Class A common stock or the availability of shares of our Class A common stock for sale will have on the market price of our Class A common stock prevailing from time to time. Nevertheless, sales of substantial amounts of our Class A common stock, including shares issued upon the exercise of outstanding options, in the public market, or the perception that such sales could occur, could materially and adversely affect the market price of our Class A common stock and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price that we deem appropriate. See "Risk Factors—Risks Related to this Offering and Ownership of Our Class A Common Stock—Future sales, or the perception of future sales, by us or our existing stockholders in the public market following the completion of this offering could cause the market price for our Class A common stock to decline."

Sale of Restricted Shares

Upon the completion of this offering, there will be outstanding a total of 11,250,000 shares of our Class A common stock (or 12,937,500 shares if the underwriters' option to purchase additional shares is exercised in full) and 37,317,537 shares of our Class B common stock that are convertible by the holders thereof at any time into an equal number of shares of our Class A common stock. All of the shares of our Class A common stock that will be outstanding upon the completion of this offering will be freely tradable without registration under the Securities Act and without restriction by persons other than our "affiliates" (as defined under Rule 144) and shares purchased by our directors, officers and existing shareholders under the directed share program. In addition, options to purchase an aggregate of approximately 843,576 shares of our Class B common stock will be outstanding as of the completion of this offering. The 38,161,113 shares of our Class B common stock held by SunTx and its affiliates, certain of our directors and officers and other existing stockholders, which includes the 843,576 shares of Class B common stock underlying the outstanding options (or 36,473,613 shares of Class B common stock if the underwriters' option to purchase additional shares is exercised in full), upon the completion of this offering, which generally convert into an equal number of shares of our Class A common stock upon sale or transfer, will be "restricted" securities under the meaning of Rule 144 and may not be sold in the absence of registration under the Securities Act, unless an exemption from registration is available, including the exemptions pursuant to Rule 144 and Rule 701 under the Securities Act ("Rule 701"). In addition, 2,000,000 shares of our Class A common stock will be authorized and reserved for issuance in relation to potential future awards under the Restated Plan to be adopted in connection with this offering.

The restricted shares of our common stock held by our affiliates will be available for sale in the public market as follows:

- shares will be eligible for sale at various times after the date hereof pursuant to Rule 144; and
- shares subject to the lock-up agreements described below will be eligible for sale at various times beginning 180 days after the date hereof pursuant to Rule 144.

Rule 144

In general, under Rule 144 as currently in effect, persons who became the beneficial owner of shares of our Class A common stock prior to the completion of this offering may sell their shares upon the earlier of (i) the expiration of a six-month holding period, if we have been subject to the reporting requirements of the Exchange Act for at least 90 days prior to the date of the sale and have filed all reports required thereunder or (ii) the expiration of a one-year holding period.

At the expiration of the six-month holding period (assuming we have been subject to the reporting requirements of the Exchange Act for at least 90 days and have filed all reports required thereunder), a person who was not one of our affiliates at any time during the three months preceding a sale would be entitled to sell an unlimited number of shares of our Class A common stock, and a person who was one of our affiliates at any time during the three months preceding a sale would be entitled to sell, within any three-month period, a number of shares of our Class A common stock that does not exceed the greater of either of the following:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately 112,500 shares immediately after the completion of this offering; or
- the average weekly trading volume of our Class A common stock on The Nasdaq Global Select Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

At the expiration of the one-year holding period, a person who was not one of our affiliates at any time during the three months preceding a sale would be entitled to sell an unlimited number of shares of our Class A common stock without restriction. A person who was one of our affiliates at any time during the three months preceding a sale would remain subject to the volume restrictions described above.

Sales under Rule 144 by our affiliates are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchased shares of our common stock from us in connection with a compensatory stock or option plan or other written agreement before the completion of this offering, or who purchased shares of our Class A common stock from us after the completion of this offering upon the exercise of options granted before the completion of this offering, are eligible to resell such shares in reliance upon Rule 144 beginning 90 days after the date hereof. If such person is not an affiliate, the sale may be made subject only to the manner of sale restrictions of Rule 144. If such a person is one of our affiliates, the sale may be made under Rule 144 without compliance with its one-year minimum holding period, but subject to the other Rule 144 restrictions.

Registration Rights

Pursuant to the Registration Rights Agreement, the holders of 36,901,208 shares of our Class B common stock (representing approximately 76.0% of our total outstanding Class A and Class B common stock outstanding immediately after the completion of this offering), or their transferees, are entitled to various rights with respect to the registration of these shares under the Securities Act. These shares would become fully tradable without restriction under the Securities Act immediately after they are sold under an effective registration statement, except for shares held by our affiliates that may be subject to resale under Rule 144. Shares covered by a registration statement will be eligible for sales in the public market upon the expiration or release from the terms of the lock-up agreements.

Pursuant to the Registration Rights Agreement, we have granted certain affiliates of SunTx and other stockholders the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act covering resales of any class of our common stock held by them. Following completion of this offering, the shares covered by registration rights would represent approximately 76.0% of our total outstanding Class A and Class B common stock (or 75.1%, if the underwriters' option to purchase additional shares is exercised in full). These shares also may be sold under Rule 144, depending on their holding period and subject to restrictions in the case of shares held by persons deemed to be our affiliates.

For a description of rights some holders of common stock have to require us to register the shares of common stock they own, see "Certain Relationships and Related Party Transactions—Ongoing and Historical Transactions with Related Parties—Registration Rights Agreement."

Registration Statement on Form S-8

We intend to file one or more registration statements on Form S-8 under the Securities Act to register shares of our Class A common stock subject to stock options current outstanding and shares of our Class A common stock that are reserved for issuance under the Restated Plan. The first such registration statement is expected to be filed soon after the consummation of this offering and will automatically become effective upon filing with the SEC. Accordingly, shares registered under such registration statement will be available for sale in the open market following the effective date, unless such shares are subject to vesting restrictions with us, Rule 144 restrictions applicable to our affiliates or the lock-up restrictions described below.

Lock-Up Agreements

We, the selling stockholders and each of our directors and executive officers and holders of substantially all of our common stock have agreed that, without the prior written consent of Robert W. Baird & Co. Incorporated in this offering, we and they will not, directly or indirectly, for a period of 180 days after the date hereof this, offer, pledge, sell, contract to sell or otherwise transfer or dispose of any shares of our Class A common stock (other than the shares of our Class A common stock sold in this offering) or any other securities convertible into or exercisable or exchangeable for shares of our Class A common stock (subject to certain exceptions). See "Underwriting."

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES FOR NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our Class A common stock by a non-U.S. holder (as defined below) who holds our Class A common stock as a "capital asset" (generally property held for investment). This summary is based on the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury regulations, administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. We have not sought any ruling from the Internal Revenue Service (the "IRS") with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal gift or estate tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as (without limitation):

- banks, insurance companies or other financial institutions;
- tax-exempt or governmental organizations;
- qualified foreign pension funds (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- traders in securities that use themark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our Class A common stock under the constructive sale provisions of the Code;
- persons that acquired our Class A common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- certain former citizens or residents of the United States;
- real estate investment trusts or regulated investment companies; and
- persons that hold our Class A common stock as part of a straddle, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.

PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK ARISING UNDER THE U.S. FEDERAL GIFT OR ESTATE TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

Non-U.S. Holder Defined

For purposes of this discussion, a "non-U.S. holder" is a beneficial owner of our Class A common stock that is not for U.S. federal income tax purposes a partnership or any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or

- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (ii) which has made a valid election under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our Class A common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, we urge partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our Class A common stock to consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our Class A common stock by such partnership.

Distributions on our Class A Common Stock

We do not plan to make any distributions on our Class A common stock for the foreseeable future. However, in the event we do make distributions of cash or property on our Class A common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a non-taxable return of capital to the extent of the non-U.S. holder's tax basis in our Class A common stock and thereafter as capital gain from the sale or exchange of such Class A common stock. See "—Gain on Disposition of our Class A Common Stock." Subject to the discussion below under "—Additional Withholding Requirements under FATCA," dividends paid to a non-U.S. holder with respect to our Class A common stock that are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States generally will be subject to U.S. withholding tax at a rate of 30% unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must provide the applicable withholding agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate.

Dividends paid to a non-U.S. holder that are effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are treated as attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be taxed on a net income basis at the rates and in the manner generally applicable to U.S. persons (as defined under the Code). Such effectively connected dividends will not be subject to U.S. withholding tax if the non-U.S. holder satisfies certain certification requirements by providing the applicable withholding agent a properly executed IRS Form W-8ECI certifying eligibility for exemption. If the non-U.S. holder is a non-U.S. corporation, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends.

Gain on Disposition of our Class A Common Stock

Subject to the discussion below under "—Additional Withholding Requirements under FATCA," a non-U.S. holder generally will not be subject to U.S. federal income tax or withholding tax on any gain realized upon the sale or other disposition of our Class A common stock unless:

- the non-U.S. holder is an individual who is present in the U.S. for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;
- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or

- our Class A common stock constitutes a U.S. real property interest by reason of our status as a U.S. real property holding corporation ("USRPHC") for U.S. federal income tax purposes.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as specified by an applicable income tax treaty) on the amount of such gain, which generally may be offset by U.S. source capital losses.

A non-U.S. holder whose gain is described in the second bullet point above generally will be taxed on a net income basis at the rates and in the manner generally applicable to U.S. persons (as defined under the Code) unless an applicable income tax treaty provides otherwise. If the non-U.S. holder is a corporation, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items).

With respect to the third bullet, we believe that we have not been, are not currently, and do not anticipate becoming in the future, a USRPHC for U.S. federal income tax purposes, and the remainder of this discussion so assumes. Generally, a corporation is a USRPHC if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. Because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property relative to the fair market value of our other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we are or become a USRPHC, a non-U.S. holder would not be subject to U.S. federal income tax on a sale, exchange or other taxable disposition of shares of our Class A common stock by reason of our status as a USRPHC so long as (i) our Class A common stock is regularly traded on an established securities market during the calendar year in which such sale, exchange or other taxable disposition of shares of our Class A common stock occurs and (ii) such non-U.S. holder does not own and is not deemed to own (directly, indirectly or constructively) more than 5% of our Class A common stock at any time during the relevant period. Non-U.S. holders should consult their tax advisors with respect to the application of the foregoing rules to their ownership and disposition of our Class A common stock.

Backup Withholding and Information Reporting

Any dividends paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8.

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our Class A common stock effected by or through a U.S. office of a broker generally will be subject to information reporting and backup withholding (at the applicable rate) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8 and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our Class A common stock effected outside the United States by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the holder is not a U.S. person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our Class A common stock effected outside the United States by such a broker if it has certain relationships within the United States.

Backup withholding is not an additional tax. Rather, the U.S. income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

Additional Withholding Requirements under FATCA

Sections 1471 through 1474 of the Code, and the Treasury regulations and administrative guidance issued thereunder ("FATCA"), impose a 30% withholding tax on any dividends paid on our Class A common stock and on the gross proceeds from a disposition of our Class A common stock (if such disposition occurs after December 31, 2018), in each case if paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are non-U.S. entities with U.S. owners); (ii) in the case of a non-financial foreign entity, such entity certifies that it does not have any "substantial United States owners" (as defined in the Code) or provides the applicable withholding agent with a certification identifying the direct and indirect substantial United States owners of the entity (in either case, generally on an IRS Form W-8BEN-E); or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E). Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. The FATCA withholding tax will apply to all withholdable payments without regard to whether the beneficial owner of the payment would otherwise be entitled to an exemption from imposition of withholding tax pursuant to an applicable tax treaty with the United States or U.S. domestic law, though, under certain circumstances, a holder might be eligible for refunds or credits of such taxes.

INVESTORS CONSIDERING THE PURCHASE OF OUR CLASS A COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF U.S. FEDERAL GIFT AND ESTATE TAX LAWS AND ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.

UNDERWRITING

Robert W. Baird & Co. Incorporated, Raymond James & Associates and Stephens Inc. are serving as joint book-running managers of this offering and as representatives of the underwriters. We, the selling stockholders and the underwriters named below have entered into an underwriting agreement with respect to the shares of our Class A common stock being offered hereby. Subject to certain conditions set forth in the underwriting agreement, each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover of this prospectus, the number of shares of our Class A common stock set forth in the following table.

Underwriters	Number of Shares
Robert W. Baird & Co. Incorporated	
Raymond James & Associates, Inc.	
Stephens Inc.	
Imperial Capital, LLC	
D.A. Davidson & Co.	
Total	11,250,000

The underwriters are severally committed to take and pay for all of the shares of our Class A common stock offered by us and the selling stockholders, if any are taken, other than the shares thereof covered by the option described below. The obligations of the underwriters under the underwriting agreement may be terminated upon the occurrence of certain stated events, including that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or this offering may be terminated.

The selling stockholders have granted the underwriters an option to buy up to an additional 1,687,500 shares of our Class A common stock. The underwriters have 30 days from the date hereof to exercise this option. If any shares of our Class A common stock are purchased pursuant to this option, the underwriters will severally purchase such additional shares in approximately the same proportion as set forth in the table above. If any additional shares of our Class A common stock are purchased, the underwriters will offer such additional shares on the same terms as those on which the shares are being offered.

At our request, the underwriters have reserved up to 562,500 shares of Class A common stock, or approximately 5.0% of the shares offered by this prospectus, for sale at the initial public offering price to our directors, officers, certain employees and other parties with a connection to the Company. The sales will be made by Robert W. Baird & Co. Incorporated (the “DSP Underwriter”) in a directed share program. The number of shares available for sale to the general public in the offering will be reduced to the extent these persons purchase the reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares. We have agreed to indemnify the DSP Underwriter in connection with the directed share program, including for the failure of any participant to pay for its shares. Other than the underwriting discounts and commissions listed on the cover of this prospectus (which will be paid with respect to shares purchased by persons who are not directors, director nominees, officers, existing shareholders or their employees or affiliates of existing shareholders that are legal entities or their employees, but not with respect to other shares), the underwriters will not be entitled to any commissions with respect to shares of Class A common stock sold pursuant to the directed share program. To the extent such shares are purchased by any of our existing directors or officers who have entered into lock-up agreements with the underwriters, such shares will be subject to the restrictions contained in such agreements.

The underwriters propose to offer the shares of our Class A common stock directly to the public at the initial public offering price set forth on the cover of this prospectus and to certain dealers at that price less a concession not in excess of $ per share.

The following tables set forth the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholders, assuming both no exercise and full exercise of the underwriters' option to purchase 1,687,500 additional shares of our Class A common stock.

Paid by Us	Total Fees	
	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Paid by the Selling Stockholders	Total Fees	
	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

We estimate that the total expenses paid by us for this offering, including registration, filing, listing and printing fees and legal and accounting expenses, but excluding underwriting discounts and commissions, will be approximately $5.8 million. We have agreed to reimburse the underwriters for certain expenses in connection with the qualification of this offering with the Financial Industry Regulatory Authority, Inc. ("FINRA") in an amount up to $35,000. Such reimbursement is deemed to be underwriting compensation by FINRA.

We, the selling stockholders and our directors, executive officers and holders of substantially all of our equity securities have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons or entities, with limited exceptions, for a period of 180 days after the date hereof, may not, without the prior written consent of Robert W. Baird & Co. Incorporated: (i) directly or indirectly offer, sell, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, lend, or otherwise transfer or dispose of, or establish or increase any "put equivalent position" or liquidate or decrease any "call equivalent position" (each within the meaning of Section 16 of the Exchange Act) with respect to, any shares of our Class A common stock, any options or warrants to purchase our Class A common stock or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, our Class A common stock, whether now owned or hereafter acquired; (ii) enter into any swap, forward contract, hedging transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our Class A common stock, whether any such transaction described in (i) or (ii) is to be settled by delivery of our Class A common stock or such other securities, in cash or otherwise; (iii) file or approve the filing of any registration statement with the SEC relating to the offering of any of our Class A common stock or securities convertible into or exercisable or exchangeable for our Class A common stock, or make any demand for or exercise any right with respect to the registration of any of our Class A common stock or the filing of any registration statement with respect thereto; or (iv) publicly disclose or announce an intention to effect any transaction specified in clause (i), (ii) or (iii). The foregoing restrictions do not apply to, among other transactions, the sales of our Class A common stock to be sold in this offering.

The underwriters do not expect sales to discretionary accounts to exceed 5% of the total number of shares offered.

Prior to this offering, there has been no public market for the shares of our Class A common stock. The initial public offering price has been determined by negotiations among us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters have considered a number of factors, including:

- the information set forth in this prospectus and otherwise available to the representatives of the underwriters;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- prevailing market conditions;
- our historical performance;
- estimates of our business potential and prospects for future earnings;
- consideration of the above factors in relation to market valuation and stages of developments of other companies comparable to ours; and
- other factors deemed relevant by the representatives of the underwriters and us.

Neither we, the selling stockholders nor the underwriters can assure investors that an active trading market will develop for our Class A common stock, or that the shares thereof will trade in the public market at or above the initial public offering price.

We have applied to list our Class A common stock on The Nasdaq Global Select Market under the symbol “ROAD.”

We and the selling stockholders have agreed to indemnify the several underwriters and their controlling persons against certain liabilities, including liabilities under the Securities Act.

Stabilization, Short Positions and Penalty Bids

In connection with this offering, the underwriters may effect certain transactions in shares of our Class A common stock in the open market in order to prevent or retard a decline in the market price of our Class A common stock while this offering is in progress. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. “Covered” shorts are short positions in an amount not greater than the underwriters’ option described herein, and “naked” shorts are short positions in excess of that amount. In determining the source of shares to close out a “covered” short, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option. A “covered” short may be covered by either exercising the underwriters’ option or purchasing shares in the open market. A “naked” short is more likely to be created if underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market prior to the completion of this offering, and may only be closed out by purchasing shares in the open market. Stabilizing transactions consist of various bids for or purchases of our Class A common stock made by the underwriters in the open market prior to the completion of this offering.

In addition, the underwriters may, pursuant to Regulation M of the Securities Act, also impose a penalty bid, which is when a particular underwriter repays to the other underwriters a portion of the underwriting discount received by it because the representatives of the underwriters have repurchased shares sold by or for the account of that underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or slowing a decline in the market price of our Class A common stock, and together with the imposition of a penalty bid, may stabilize, maintain or otherwise affect the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that might otherwise exist in the open market. If these activities are commenced by the underwriters, they may be discontinued at any time. These transactions may be effected on The Nasdaq Global Select Market, in the over-the-counter market or otherwise.

Electronic Distribution

In connection with this offering, certain of the underwriters may distribute prospectuses by electronic means, such as email. In addition, certain of the underwriters may facilitate Internet distribution for this offering to certain of their Internet subscription customers, and allocate a limited number of shares for sale to its online brokerage customers. A prospectus in electronic format is being made available on the website maintained by one or more of the bookrunners of this offering and may be made available on websites maintained by the other underwriters. Other than this prospectus in electronic format, the information on any underwriter's website and any information contained in any other website maintained by an underwriter is not a part of this prospectus or the registration statement of which this prospectus is a part.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, investment research, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may provide from time to time in the future, various financial advisory and investment banking services for us, for which they have received or will receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, certain of the underwriters and their respective affiliates may from time to time effect transactions for their own account or the account of their customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities (including related derivative securities) and financial instruments (including bank loans), and may continue to do so in the future. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Selling Restrictions

Notice to Canadian Residents

Resale Restrictions. The distribution of our Class A common stock in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that we and the selling stockholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of these securities are made. Any resale of our Class A common stock in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

Representations of Canadian Purchasers. By purchasing our Class A common stock in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us, the selling stockholders and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase our Class A common stock without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under National Instrument 45-106—Prospectus Exemptions;
- the purchaser is a "permitted client" as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations;
- where required by law, the purchaser is purchasing as principal and not as agent; and
- the purchaser has reviewed the text above under Resale Restrictions.

Conflicts of Interest. Canadian purchasers are hereby notified that each of the underwriters is relying on the exemption set out in Section 3A.3 or 3A.4, if applicable, of National Instrument 33-105—Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

Statutory Rights of Action. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the prospectus (including any amendment thereto) such as this document contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Enforcement of Legal Rights. All of our directors and officers as well as the experts named herein and the selling stockholders may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment. Canadian purchasers of shares of our Class A common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in such shares in their particular circumstances and about the eligibility of our Class A common stock for investment by the purchaser under relevant Canadian legislation.

Notice to Investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of our Class A common stock has not been made and may not be made in that Relevant Member State prior to the publication of a prospectus in relation to our Class A common stock which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of our Class A common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;

- to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of Robert W. Baird & Co. Incorporated for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of our Class A common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive or a supplemental prospectus pursuant to Article 16 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires our Class A common stock or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the underwriters and us that it is a qualified investor within the meaning of the law of the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive or any measure implementing the Prospectus Directive in any Relevant Member State.

For the purposes of this provision, the expression "an offer to the public" in relation to our Class A common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and our Class A common stock to be offered so as to enable an investor to decide to purchase our Class A common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

In the case of our Class A common stock being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that our Class A common stock acquired by it in this offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of our Class A common stock to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of Robert W. Baird & Co. Incorporated has been obtained to each such proposed offer or resale. We, the underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified Robert W. Baird & Co. Incorporated of such fact in writing may, with the prior consent of Robert W. Baird & Co. Incorporated, be permitted to acquire our Class A common stock in this offering.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in Directive 2003/71/EC and amendments thereto, including the 2010 PD Amending Directive) who (i) have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (collectively, "Relevant Persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, Relevant Persons.

Notice to Investors in Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in our Class A common stock. The shares may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this document nor any other offering or marketing material relating to the shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to this offering, nor us nor the shares have been or will be filed with or approved by any Swiss regulatory authority. The shares are not subject to the supervision by any Swiss regulatory authority (*e.g.*, the Swiss Financial Markets Supervisory Authority FINMA) and investors in the shares will not benefit from protection or supervision by such authority.

Notice to Investors in South Africa

Due to restrictions under the securities laws of South Africa, our Class A common stock is not offered, and the offer of our Class A common stock shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

- the offer, transfer, sale, renunciation or delivery is to a duly registered bank, mutual bank, financial services provider, financial institution, the Public Investment Corporation (in each case registered as such in South Africa), a person who deals with securities in their ordinary course of business, or a wholly owned subsidiary of a bank, mutual bank, authorized services provider or financial institution, acting as agent in the capacity of an authorized portfolio manager for a pension fund (duly registered in South Africa), or as manager for a collective investment scheme (registered in South Africa); or
- the contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than R1,000,000.

This document does not, nor is it intended to, constitute an "offer to the public" (as defined in the South African Companies Act, 2008 (the "SA Companies Act")) and does not, nor is it intended to, constitute a prospectus prepared and registered under the SA Companies Act. This document is not an "offer to the public" and must not be acted on or relied on by persons who do not fall within Section 96(1)(a) of the SA Companies Act (such persons, "Relevant Persons"). Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

A South African resident person or company or any non-South African company which is a subsidiary of a South African company is not permitted to acquire our Class A common stock unless such person has obtained exchange control approval to do so.

LEGAL MATTERS

Certain legal matters will be passed upon for the Company by Akin Gump Strauss Hauer & Feld LLP, Dallas, Texas. The validity of the shares of our Class A common stock being offered hereby by us and the selling stockholders will be passed upon by Pepper Hamilton LLP, Wilmington, Delaware. Certain legal matters will be passed upon for the underwriters by Latham & Watkins LLP, Chicago, Illinois.

EXPERTS

The audited consolidated financial statements of Construction Partners, Inc. as of and for the fiscal years ended September 30, 2016 and 2017 included in this prospectus and elsewhere in the registration statement of which this prospectus is a part have been so included in reliance upon the report of RSM US LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

CHANGE IN ACCOUNTANTS

In June 2017, we retained RSM US LLP ("RSM") as our independent registered public accounting firm. Our independent registered public accounting firm was previously PBMares, LLP ("PBMares"). The decision to dismiss PBMares and appoint RSM was approved by our board of directors, effective as of June 19, 2017. Subsequent to the appointment of RSM, we engaged RSM to reaudit our consolidated financial statements at and for the fiscal years ended September 30, 2015 and 2016, which had previously been audited by PBMares.

The reports of PBMares on our consolidated financial statements at and for the fiscal years ended September 30, 2015 and 2016 did not contain any adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the two most recent fiscal years preceding our discharge of PBMares and the subsequent interim period through June 19, 2017, we had no "disagreements" (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions thereto) with PBMares on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PBMares, would have caused PBMares to make reference in connection with its opinion to the subject matter of the disagreement during its audit of our consolidated financial statements for the fiscal years ended September 30, 2015 and 2016. During the two most recent fiscal years preceding our discharge of PBMares and the subsequent interim period through June 19, 2017, there were no "reportable events" (as defined in Item 304(a)(1)(v) of Regulation S-K and the related instructions thereto).

During the two fiscal years ended September 30, 2016 and through the period ended June 19, 2017, we did not consult with RSM with respect to (i) the application of accounting principles to a specified transaction, either completed or proposed, the type of audit opinion that might be rendered on our financial statements, and neither a written report nor oral advice was provided to the Company that RSM concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issue, or (ii) any other matter that was the subject of a disagreement or a reportable event (each as defined above).

We have provided PBMares with a copy of the foregoing disclosure and requested that PBMares furnish us with a letter addressed to the SEC stating whether or not PBMares agrees with the above statements and, if not, stating the respects in which it does not agree. A copy of the letter, dated January 26, 2018, furnished by PBMares in response to that request, is filed as Exhibit 16.1 to the registration statement of which this prospectus is a part.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act covering the securities offered by this prospectus. This prospectus, which constitutes a part of that registration statement, does not contain all of the information that you can find in the registration statement and the exhibits thereto. Certain items are omitted from this prospectus in accordance with the rules and regulations of the SEC. For further information about us and the shares of our Class A common stock offered by this prospectus, reference is made to the registration statement and the exhibits thereto. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete and, in each instance, are qualified by reference to each such contract or document contained in or as an exhibit to the registration statement. Upon the completion of this offering, we will be required to file periodic reports, proxy statements and other information with the SEC. You may read any materials we file with the SEC free of charge at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Copies of all or any part of these documents may be obtained from such office upon the payment of the fees prescribed by the SEC. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site, *www.sec.gov*, that contains periodic reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The registration statement, including all exhibits thereto and amendments thereof, has been filed electronically with the SEC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	F-2
Audited Consolidated Financial Statements	
Consolidated Balance Sheets at September 30, 2016 and September 30, 2017	F-3
Consolidated Statements of Income for the fiscal years ended September 30, 2016 and September 30, 2017	F-4
Consolidated Statements of Stockholders' Equity for the fiscal years ended September 30, 2016 and September 30, 2017	F-5
Consolidated Statements of Cash Flows for the fiscal years ended September 30, 2016 and September 30, 2017	F-6
Notes to Consolidated Financial Statements	F-7
Unaudited Consolidated Financial Statements	
Consolidated Balance Sheets at September 30, 2017 and December 31, 2017	F-38
Consolidated Statements of Income for the three months ended December 31, 2016 and December 31, 2017	F-39
Consolidated Statement of Stockholders' Equity for the three months ended December 31, 2017	F-40
Consolidated Statements of Cash Flows for the three months ended December 31, 2016 and December 31, 2017	F-41
Notes to Unaudited Consolidated Financial Statements	F-42

The accompanying consolidated financial statements give effect to a 25.2-to-1 stock split of the common stock of Construction Partners, Inc. which will take place prior to the effectiveness of the registration statement. The following report is in the form which will be furnished by RSM US LLP, an independent registered public accounting firm, upon completion of the 25.2-to-1 stock split of the common stock of Construction Partners, Inc. described in Note 19 (a) to the consolidated financial statements and assuming that from December 20, 2017 to the date of such completion, no other material events have occurred that would affect the consolidated financial statements or the required disclosures therein, except for Note 19 (b) as to which the date is April 23, 2018.

/s/ RSM US LLP

Birmingham, Alabama
April 23, 2018

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Construction Partners, Inc.:

We have audited the accompanying consolidated balance sheets of Construction Partners, Inc. and subsidiaries as of September 30, 2017 and 2016, and the related consolidated statements of income, stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Construction Partners, Inc. and subsidiaries as of September 30, 2017 and 2016, and the results of their operations and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Birmingham, Alabama
December 20, 2017, except for Note 19 (b) as to which the date is April 23, 2018 and Note 19 (a) as to which the date is , 2018

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30, 2016	September 30, 2017
ASSETS		
Current assets:		
Cash	$ 51,085	$ 27,547
Contracts receivable including retainage, net	102,810	120,984
Costs and estimated earnings in excess of billings on uncompleted contracts	7,446	4,592
Inventories	13,245	17,487
Other current assets	2,342	4,520
Total current assets	176,928	175,130
Property, plant and equipment, net	104,338	115,911
Goodwill	29,957	30,600
Intangible assets, net	2,850	2,550
Other assets	2,197	2,483
Deferred income taxes, net	2,012	1,876
Total assets	$318,282	$328,550
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 40,763	$ 52,402
Billings in excess of costs and estimated earnings on uncompleted contracts	26,888	32,108
Current maturities of debt	14,861	10,000
Accrued expenses and other current liabilities	17,531	20,036
Total current liabilities	100,043	114,546
Long-term liabilities:		
Long-term debt, net of current maturities	46,101	47,136
Deferred income taxes, net	8,938	9,667
Other long-term liabilities	6,917	5,020
Total long-term liabilities	61,956	61,823
Total liabilities	161,999	176,369
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding	—	—
Common stock, $.001 par value, 126,000,000 shares authorized, 44,987,575 issued and 41,502,490 and 41,691,541 outstanding at September 30, 2016 and September 30, 2017, respectively	45	45
Additional paid-in capital	141,872	142,385
Treasury stock, at cost	(12,621)	(11,983)
Retained earnings	26,987	21,734
Total stockholders' equity	156,283	152,181
Total liabilities and stockholders' equity	$318,282	$328,550

See notes to consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share and per share data)

	For the Fiscal Years Ended September 30,	
	2016	2017
Revenues	$ 542,347	$ 568,212
Cost of revenues	467,464	477,241
Gross profit	74,883	90,971
General and administrative expenses	(40,428)	(47,867)
Gain on sale of equipment, net	2,997	3,481
Operating income	37,452	46,585
Interest expense, net	(4,662)	(3,960)
Loss on extinguishment of debt	—	(1,638)
Other expense	(227)	(205)
Income before provision for income taxes	32,563	40,782
Provision for income taxes	10,541	14,742
Net income	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:		
Basic and diluted	$ 0.51	$ 0.63
Weighted average number of common shares outstanding:		
Basic and diluted	43,009,120	41,550,293

See notes to consolidated financial statements.

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share data)

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
Balance, September 30, 2015	44,987,571	$45	$141,655	$ (3,695)	$ 4,965	$142,970
Treasury stock purchase	—	—	—	(9,138)	—	(9,138)
Treasury stock reissued	—	—	—	212	—	212
Equity-based compensation expense	—	—	217	—	—	217
Net income	—	—	—	—	22,022	22,022
Balance, September 30, 2016	44,987,571	45	141,872	(12,621)	26,987	156,283
Treasury stock reissued	—	—	—	638	—	638
Common stock dividend paid	—	—	—	—	(31,293)	(31,293)
Equity-based compensation expense	—	—	513	—	—	513
Net income	—	—	—	—	26,040	26,040
Balance, September 30, 2017	**44,987,571**	**$45**	**$142,385**	**$(11,983)**	**$ 21,734**	**$152,181**

See notes to consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Fiscal Years Ended September 30,	
	2016	2017
Cash flows from operating activities:		
Net income	$ 22,022	$ 26,040
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization of long-lived assets	21,530	21,072
Amortization of deferred debt issuance costs	912	660
Loss on extinguishment of debt	—	1,638
Provision for bad debt	732	1,445
Gain on sale of equipment	(2,997)	(3,481)
Equity-based compensation expense	217	513
Deferred income taxes	8,147	865
Changes in operating assets and liabilities:		
Contracts receivable including retainage, net	(13,690)	(19,619)
Costs and estimated earnings in excess of billings on uncompleted contracts	8,960	2,854
Inventories	3,304	(3,063)
Other current assets	912	(2,178)
Other assets	(84)	(286)
Accounts payable	(10,534)	11,639
Billings in excess of costs and estimated earnings on uncompleted contracts	9,518	5,220
Accrued expenses and other current liabilities	4,332	5,505
Other long-term liabilities	(1,587)	(1,897)
Net cash provided by operating activities	51,694	46,927
Cash flows from investing activities:		
Purchases of property, plant and equipment	(24,855)	(24,399)
Proceeds from sale of equipment	5,850	4,556
Acquisition of a business	—	(10,843)
Net cash used in investing activities	(19,005)	(30,686)
Cash flows from financing activities:		
Repayments on revolving credit facility	(3,670)	(5,101)
Proceeds from revolving credit facility	—	10,000
Proceeds from issuance of long-term debt, net of debt issuance costs	3,883	49,617
Repayments of long-term debt	(18,306)	(60,640)
Payment of treasury stock purchase obligation	(3,000)	(3,000)
Proceeds from reissuance of treasury stock	212	638
Common stock dividend paid	—	(31,293)
Net cash used in financing activities	(20,881)	(39,779)
Net change in cash	11,808	(23,538)
Cash:		
Beginning of Period	39,277	51,085
End of Period	$ 51,085	$ 27,547
Supplemental cash flow information:		
Cash paid for interest	$ 4,311	$ 3,307
Cash paid for income taxes	$ 2,566	$ 12,530
Non-cash items:		
Treasury stock purchase obligation	$ 6,138	$ —

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—General

Business Description

Construction Partners, Inc. (the "Company") is a leading infrastructure and road construction company operating in Alabama, Florida, Georgia, South Carolina and North Carolina through its wholly owned subsidiaries. The Company provides site development, paving, utility and drainage systems, as well as hot mix asphalt supply. The Company executes projects for a mix of private, municipal, state, and federal customers that are both privately and publicly funded. The majority of the work is performed under fixed unit price contracts and, to a lesser extent, fixed total price contracts.

The Company was formed as a Delaware corporation in 2007 as a holding company for its wholly owned subsidiary, Construction Partners Holdings, Inc., a Delaware corporation incorporated in 1999 and which began operations in 2001, to execute an acquisition growth strategy in the hot mix asphalt paving and construction industry. SunTx Capital Partners ("SunTx"), a private equity firm based in Dallas, Texas, is the Company's majority investor and has owned a controlling interest in the Company's stock since its inception. On September 20, 2017, the Company changed its name from SunTx CPI Growth Company, Inc. to Construction Partners, Inc.

Management's Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, stockholders' equity, revenues and expenses during the reporting period, and the disclosure of contingent liabilities at the date of the financial statements. Estimates are used in accounting for items such as recognition of revenues and cost of revenues, goodwill and other intangible assets, allowance for doubtful accounts, valuation allowances related to income taxes, accruals for potential liabilities related to lawsuits or insurance claims, and the fair value of equity-based compensation awards. Estimates are continually evaluated based on historical information and actual experience, however, actual results could differ from these estimates.

Note 2—Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of Construction Partners, Inc. and its wholly-owned subsidiaries. All inter-company balances and transactions have been eliminated in consolidation.

Common share and per share amounts have been retroactively adjusted for all periods presented to give effect to the Stock Split described in Note 19.

Emerging Growth Company

Construction Partners, Inc. is an "emerging growth company" as defined by the Jumpstart Our Business Startups Act, or "JOBS Act" enacted in April 2012. As an emerging growth company, the Company may take advantage of an exemption from being required to comply with new or revised financial accounting standards until the effective date of such standards is applicable to private companies. The JOBS Act provides that a company may elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. The Company has elected to opt out of such extended transition period, which means that when a standard is issued or revised and it has different effective dates for public and private companies, the Company is required to adopt the new or revised standard at the effective date applicable to public companies that are not emerging growth companies.

Cash

Cash consists principally of currency on hand and demand deposits at commercial banks. The Company maintains demand accounts at several banks. From time to time, account balances have exceeded the maximum available Federal Deposit Insurance Corporation (FDIC) coverage limit. The Company has not experienced any losses in such accounts and regularly monitors the Company's credit risk.

Contracts Receivable Including Retainage, net

Contracts receivable are generally based on amounts billed and currently due from customers, amounts currently due but unbilled, and amounts retained by the customer pending completion of a project. It is common in the Company's industry for a small portion of progress billings or the contract price, typically 10%, to be withheld by the customer until the Company completes a project to the satisfaction of the customer in accordance with contract terms. Such amounts are also included as contracts receivable including retainage. Based on the Company's experience with similar contracts in recent years, billings for such retainage balances are generally collected within one year of the completion of the project.

The carrying value of contracts receivable including retainage, net of the allowance for doubtful accounts, represents their estimated net realizable value. Management provides for uncollectible accounts through a charge to earnings and a credit to the allowance for doubtful accounts based on its assessment of the current status of individual accounts, type of service performed, and current economic conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and an adjustment of the contract receivable.

Costs and Estimated Earnings on Uncompleted Contracts

Billing practices for the Company's contracts are governed by the contract terms of each project based on progress toward completion approved by the owner, achievement of milestones or pre-agreed schedules. Billings do not necessarily correlate with revenues recognized under the percentage-of-completion method of accounting. The Company records current assets and current liabilities to account for these differences in timing.

The current asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues that have been recognized in amounts which have not been billed under the terms of the contracts. Included in costs and estimated earnings on uncompleted contracts are amounts the Company seeks or will seek to collect from customers or others for errors, changes in contract specifications or design, contract change orders in dispute, unapproved as to scope and price, or other customer related causes of unanticipated additional contract costs (claims and unapproved change orders). Such amounts are recorded at estimated net realizable value when realization is probable and can be reasonably estimated. Claims and unapproved change orders made by the Company may involve negotiation and, in rare cases, litigation. Unapproved change orders and claims also involve the use of estimates, and revenues associated with unapproved change orders and claims are included when realization is probable and amounts can be reliably determined. The Company did not recognize any material amounts associated with claims and unapproved change orders during the periods presented.

The current liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings to customers in excess of revenues recognized.

Concentration of Risks

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of contracts receivable including retainage. In the normal course of business, the Company provides credit to its

customers and does not generally require collateral. Concentrations of credit risk associated with these receivables are monitored on an ongoing basis. The Company has not historically experienced significant credit losses due primarily to management's assessment of customers' credit ratings. The Company principally deals with recurring customers, state and local governments and well-known local companies whose reputations are known to the Company. Credit checks are performed for significant new customers. Progress payments are generally required for significant projects. The Company generally has the ability to file liens against the property if payments are not made on a timely basis. No customer accounted for more than 10% of the Company's contracts receivable including retainage, net balance at September 30, 2016 or September 30, 2017.

Projects performed for various Departments of Transportation accounted for 44.3% and 41.9% of consolidated revenues for the fiscal years ended September 30, 2016 and September 30, 2017, respectively. Two customers accounted for more than 10% of consolidated revenues for the fiscal years ended September 30, 2016 and September 30, 2017, as follows:

	% of Consolidated Revenues for the Fiscal Years Ended September 30,	
	2016	2017
Alabama Department of Transportation	17.6%	14.9%
North Carolina Department of Transportation	12.9%	13.9%

Inventories

The Company's inventories are stated at the lower of cost or net realizable value using the average cost method. The cost of inventory includes the cost of material, labor, trucking and other equipment costs associated with procuring and transporting materials to asphalt plants for production and delivery to customers. Inventories consist primarily of raw materials including asphalt cement, aggregate and millings which are primarily expected to be utilized on construction projects within one year.

Revenues and Cost Recognition

Revenues from the Company's contracts are recognized on the percentage-of-completion method, measured by the relationship of total cost incurred to total estimated contract costs (cost-to-cost method). Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in favorable or unfavorable revisions to estimated costs, revenues and gross profit, and are recognized in the period in which the revisions are determined. Revisions in estimates related to amounts recorded in prior periods resulted in the Company recording net changes in revenues of $(2.8) million and $4.6 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively.

The accuracy of revenues and cost of revenues reported on the consolidated financial statements depends on, among other things, management's estimates of total costs to complete projects. Management believes the Company maintains reasonable estimates based on management's experience; however, many factors contribute to changes in estimates of contract costs. Accordingly, estimates made with respect to uncompleted projects are subject to change as each project progresses and better estimates of contract costs become available. All contract costs are recorded as incurred and revisions to estimated total costs are reflected as soon as the obligation to perform is determined. Provisions are recognized for the full amount of estimated losses on uncompleted contracts whenever evidence indicates that the estimated total cost of a contract exceeds its estimated total revenue, regardless of the stage of completion. When the Company incurs additional costs related to work performed by

subcontractors, the Company may have contractual provisions to back charge the subcontractors for those costs. A reduction to costs related to back charges is recognized when the estimated recovery is probable and the amount can be reasonably estimated.

Contract costs include direct labor and material, subcontractors, direct overhead costs and equipment costs (primarily depreciation, fuel, maintenance and repairs).

Fair Value Measurements

Management applies fair value measurement guidance to its impairment analyses for tangible and intangible assets. The Financial Accounting Standards Board ("FASB") Account Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Inputs used to measure fair value are classified using the following hierarchy:

Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data.

Level 3. Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs used in the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The Company endeavors to utilize the best available information in measuring fair value.

The Company's financial instruments include cash, contracts receivable including retainage and accounts payable reflected as current assets and current liabilities on its Consolidated Balance Sheet at September 30, 2016 and September 30, 2017. Due to the short-term nature of these instruments, management considers their carrying value to approximate their fair value.

The Company also has a term loan and a revolving credit facility as described in Note 9. The carrying value of amounts outstanding under these credit facilities is reflected as long-term debt, net of current maturities and current maturities of debt on the Company's Consolidated Balance Sheet at September 30, 2016 and September 30, 2017. Due to the variable rate nature of these instruments, management considers their carrying value to approximate their fair value.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful lives. Leasehold improvements for operating leases are amortized over the lesser of the term of the related lease or the estimated useful lives of the improvements. Quarry reserves are depleted in accordance with the units-of-production method as aggregate is extracted, using the initial allocation of cost based on proven and probable reserves. Routine repairs and maintenance are expensed as incurred. Asset improvements are capitalized at cost and amortized over the remaining useful life of the related asset.

The useful life of property, plant and equipment categories are as follows:

Category	Estimated Useful Life
Land and improvements	Unlimited
Quarry reserves	Indefinite, based on depletion
Buildings	5 - 39 years
Asphalt plants	3 - 20 years
Construction Equipment	3 - 10 years
Furniture and fixtures	5 - 10 years
Leasehold improvements	The shorter of 15 years or the remaining lease term

Management periodically assesses the estimated useful life over which assets are depreciated, depleted or amortized. If the analysis warrants a change in the estimated useful life of property, plant and equipment, management will reduce the estimated useful life and depreciate, deplete or amortize the carrying value prospectively over the shorter remaining useful life.

The carrying amounts of assets sold or retired and the related accumulated depreciation are eliminated in the period of disposal and the resulting gains and losses are included in the results of operations during the same period.

Impairment of Long-Lived Assets

The carrying value of property, plant and equipment and intangible assets subject to amortization is evaluated whenever events or changes in circumstances indicate that the carrying amount of such assets, or an asset group, may not be recoverable. Events or circumstances that might cause management to perform impairment testing include, but are not limited to, a significant decrease in the market price of an asset, a significant adverse change in the extent or manner in which an asset is used or in its physical condition, an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset, an operating or cash flow performance combined with a history of operating or cash flow losses or a forecast that demonstrates continuing losses associated with the use of an asset, and an expectation that an asset will be disposed of significantly before the end of its previously estimated useful life. If indicators of potential impairment are present, management performs a recoverability test and, if necessary, records an impairment loss. If the total estimated future undiscounted cash flows to be generated from the use and ultimate disposition of an asset or asset group is less than its carrying value, an impairment loss is recorded in the Company's results of operations, measured as the amount required to reduce the carrying value to fair value. Fair value is determined in accordance with the best available information per the hierarchy described under *Fair Value Measurements* above. For example, the Company would first seek to identify quoted prices or other observable market data. If observable data is not available, Management would apply the best available information under the circumstances to a technique such as a discounted cash flow model to estimate fair value. Impairment analysis involves estimates and the use of assumptions due to the inherently judgmental nature of forecasting long-term estimated inflows and outflows resulting from the use and ultimate disposition of an asset, and determining the ultimate useful lives of assets. Actual results may differ from these estimates using different assumptions, which could materially impact the results of an impairment assessment.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed in a business combination. Other intangible assets are comprised of finite-lived non-compete agreements and an

indefinite-lived name license in connection with businesses acquired. Goodwill and indefinite-lived intangible assets are not amortized, but are reviewed for impairment at least annually, or more frequently when events or changes in circumstances indicate that the carrying value may not be recoverable. In addition, management evaluates whether events and circumstances continue to support an indefinite useful life. Judgments regarding indicators of potential impairment are based on market conditions and operational performance of the business.

Annually, on the first day of the fourth fiscal quarter, management performs an analysis of the carrying value of goodwill at its reporting units for potential impairment. In accordance with GAAP, the Company may assess its goodwill for impairment initially using a qualitative approach ("step zero") to determine whether conditions exist to indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. If management concludes, based on its assessment of relevant events, facts and circumstances, that it is more likely than not that a reporting unit's carrying value is greater than its fair value, then a quantitative analysis will be performed to determine whether there is any impairment. The Company may also elect to initially perform a quantitative analysis instead of starting with step zero. The quantitative assessment for goodwill is a two-step process. "Step one" requires comparing the carrying value of a reporting unit, including goodwill, to its fair value using the income approach. The income approach uses a discounted cash flow model, which involves significant estimates and assumptions, including preparation of revenues and profitability growth forecasts, selection of a discount rate, and selection of a terminal year multiple, to estimate fair value. Management's assessment of facts and circumstances at each analysis date could cause these assumptions to change. If the fair value of the respective reporting unit exceeds its carrying amount, goodwill is not considered to be impaired and no further testing is required. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is to measure the amount of impairment loss, if any. "Step two" compares the implied fair value of goodwill to the carrying amount of goodwill. The implied fair value of goodwill is determined by a hypothetical purchase price allocation using the reporting unit's fair value as the purchase price. Management would allocate the estimated fair value of the assets and liabilities of the reporting unit as if the unit was acquired in a business combination, thereby revaluing the carrying amount of goodwill. If the carrying amount of goodwill exceeds the implied fair value, an impairment charge is recorded to write down goodwill to its implied fair value and is recorded in the Company's results of operations. The Company performed a step one analysis of goodwill during fiscal year 2016 and fiscal year 2017 and determined that the fair value of each of its reporting units exceeded its carrying value, and thus concluded that the carrying value of goodwill was not impaired at September 30, 2016 or September 30, 2017. Accordingly, no further analysis was required or performed.

Management also performs an annual assessment on the first day of the fiscal fourth quarter, of the carrying value of its indefinite-lived intangible assets other than goodwill. Management tests the indefinite-lived intangible assets for impairment by comparing its carrying value to its estimated fair value. An impairment loss is recorded in the Company's results of operations to the extent the carrying value of an indefinite-lived intangible asset exceeds it fair value. Similar to the assessment of goodwill, events and changes in circumstances could cause management to utilize different assumptions in subsequent evaluations, which could materially impact the results of an impairment assessment.

Deferred Debt Issuance Costs

Costs directly associated with obtaining debt financing are deferred and amortized over the term of the related debt agreement. Unamortized amounts related to long-term debt are reflected on the Consolidated Balance Sheet as a direct deduction from the carrying amount of the related long-term debt liability.

Equity Issuance Costs

The Company capitalizes certain third-party fees that are directly associated with in-process equity offerings. These amounts are recorded as prepaid expenses, included in other current assets on the Consolidated Balance Sheet until the offering is consummated, suspended or abandoned. If efforts to complete an equity offering are suspended or abandoned, the capitalized costs are charged to general and administrative expenses in the period the offering is suspended or abandoned. When an offering is completed, the capitalized costs are recorded as a reduction to additional paid-in capital generated by the offering. At September 30, 2017, $2.2 million of capitalized equity issuance costs are included in other current assets.

Comprehensive Income

Comprehensive income is a measure of net income and all other changes in equity that result from transactions other than transactions with stockholders. Management has determined that net income is the Company's only component of comprehensive income. Accordingly, there is no difference between net income and comprehensive income.

Income Taxes

The provision for income taxes includes federal and state income taxes. Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying values and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which the temporary differences are expected to be reversed or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Management evaluates the realization of deferred tax assets and establishes a valuation allowance when it is more likely than not that all or a portion of the deferred tax assets will not be realized. Deferred tax assets and deferred tax liabilities are presented net by taxing authority and classified as non-current on the Company's Consolidated Balance Sheet.

The Company's policy is to classify income tax related interest and penalties as interest expense and other expenses, respectively.

Equity-based Incentive Plans

Compensation costs related to equity-classified share-based awards to employees are recognized on the financial statements based on grant-date fair value. Compensation cost for graded-vesting awards is recognized ratably over the vesting periods.

Accrued Insurance Costs

The Company carries insurance policies to cover various risks, including primarily general liability, automobile liability and workers' compensation, under which it is liable to reimburse the insurance company for a portion of each claim paid. The amount for which the Company is liable for general liability, automobile liability and workers' compensation claims is $0.25 million per occurrence. Management accrues for probable losses, both reported and unreported, that are reasonably estimable using actuarial methods based on historic trends modified, if necessary, by recent events. Changes in loss assumptions caused by changes in actual experience would affect the assessment of the ultimate liability and could have an effect on the Company's operating results and financial position up to $0.25 million per occurrence for general liability, automobile liability and workers' compensation claims.

The Company provides employee medical insurance under policies that are both fixed premium fully-insured policies and self-insured policies that are administered by the insurance company. Under the self-insured policies the Company is liable to reimburse the insurance company for actual claims paid plus an administrative fee. The Company purchases separate stop-loss insurance which limits the individual participant claim loss to amounts ranging from seventy-five thousand to one hundred sixty thousand dollars.

In addition to the retention items noted above, the Company is required by the Company's insurance provider to maintain a standby letter of credit. This letter of credit serves as a guarantee by the banking institution to pay the Company's insurance provider the incurred claim costs attributable to general liability, workers' compensation and automobile liability claims, up to the amount stated in the standby letter of credit, in the event that these claims are not paid by the Company.

Earnings per Share

Basic earnings per share is computed by dividing net income attributable to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by dividing net income attributable to common stockholders by the weighted average number of common shares and potential dilutive common shares outstanding during the period, determined using the treasury stock method. Securities that are anti-dilutive are not included in the calculation of diluted earnings per share.

Segment Reporting and Reporting Units

The Company operates in Alabama, Florida, Georgia, South Carolina and North Carolina through its wholly-owned legal entity subsidiaries. Each of these entities was established as an acquired platform operating company and performs essentially the same operations, primarily infrastructure and road construction, in its respective state.

Management determined that the Company functions as a single operating segment, and thus reports as a single reportable segment. This determination is based on rules prescribed by GAAP applied to the manner in which management operates the Company. In particular, management assessed the discrete financial information routinely provided to the Company's Chief Operating Decision Maker ("CODM"), its Chief Executive Officer, to monitor the Company's operating performance and support decisions regarding allocation of resources to its operations. Specifically, performance is continuously monitored at the consolidated level and at the individual contract level to timely identify fluctuations from expected results. Resource allocations are based on the capacity of the Company's operating facilities to pursue new project opportunities, including reallocation of assets that are underutilized from time to time at a certain operating facility to another operating facility where additional resources might be required to fully meet demand. Management considered other factors further supporting this conclusion, noting substantial similarities throughout all of the Company's operations with respect to services provided, type of customers, sourcing of materials and manufacturing and delivery methodologies.

Management further determined that the Company's four platform operating companies represent the Company's reporting units for purposes of assessing potential impairment of goodwill. These operating companies function one level below the Company's single operating segment. These legal entities represent significant acquisitions that occurred over time in Alabama, Georgia, North Carolina and Florida pursuant to the Company's strategic growth strategy. Each platform company is managed by a President of the entity who has primary responsibility for their respective operating company. Collectively, these Presidents are directly accountable to, and maintain regular contract with, the CODM as a team to discuss operating activities, financial results, forecasts, and operating plans for the Company's single operating segment.

Note 3—Accounting Standards

Recently Adopted Accounting Pronouncements

In August 2014, the FASB issued Accounting Standards Update ("ASU") 2014-15, *Presentation of Financial Statements—Going Concern (Topic 205): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*. Amendments of this update address management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern within one year after the date that the financial statements are issued or are available to be issued. Disclosures are required when conditions or events exist that raise such substantial doubt. The evaluation must be based on relevant conditions and events that are known and reasonably knowable at that date. The amendments of this update are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early adoption is permitted. The Company adopted this guidance during fiscal year 2016. Adoption of the guidance did not have an impact on the Company's disclosure in the notes to its consolidated financial statements.

Recently Issued Accounting Pronouncements

The FASB has issued certain ASUs that are applicable to the Company and will be adopted in future periods. The consolidated financial statements and related disclosures for the fiscal years ended September 30, 2016 and September 30 2017 do not reflect the requirements of this guidance. The following is a brief description of the recently issued ASUs and management's current assessment regarding the methods, timing and impact of adoption of such ASUs by the Company in the future.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairments*. The amendments of this update are required for public business entities and other entities that have goodwill reported in their financial statements. The amendments of this update modify the concept of impairment from the condition that exists when the carrying amount of goodwill exceeds its implied fair value to the condition that exists when the carrying amount of a reporting unit exceeds its fair value. Prior to the amendments of this guidance, an entity performs the first step of the goodwill impairment test by comparing the fair value of a reporting unit to its carrying amount. If an impairment loss was indicated, the entity computes the implied fair value of goodwill to determine the amount of an impairment loss, if any (step two). Implied fair value of goodwill is calculated by assigning the fair value of a reporting unit to all of its assets and liabilities in a manner consistent with procedures performed as if that reporting unit had been acquired in a business combination. An entity still has the option to perform the qualitative assessment for a reporting unit to determine whether a quantitative impairment test is necessary. If a quantitative test is performed, this guidance eliminates step two of the assessment. Rather, under the amendments of this update, an entity shall recognize an impairment charge in the amount by which the carrying amount exceeds the reporting unit's fair value, limited to the total amount of goodwill allocated to that reporting unit. The new guidance is effective for public companies for fiscal years beginning after December 15, 2019 and interim periods within those years, and shall be applied on a prospective basis to goodwill impairment tests subsequent to adoption of the standard. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. An entity is required to disclose the nature of and reason for the change in accounting principle upon transition. That disclosure should be provided in the first annual period and in the interim period within the first annual period when the entity initially adopts the amendments of this update. Management is currently assessing this guidance to determine the Company's adoption date and the potential impact of adoption on the Company's consolidated financial statements, and expects to revise disclosures upon adoption to describe the Company's impairment analysis methodology and reason for the change in accounting principle.

In January 2017, the FASB issued ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*. The amendments of this update refine the definition of a business. Prior to this update, guidance in Topic 805 defined a business as having an integrated set of assets along with three elements or activities: inputs, processes, and outputs (collectively referred to as a "set"). The amendments of this update provide a framework to assist entities in evaluating when a set is not a business. Amendments of this update are applicable to public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. This update shall be applied prospectively on or after the effective date. No disclosures are required at transition. Early application is permitted under certain circumstances. Management expects to adopt this update for the Company's fiscal year beginning October 1, 2018, and is currently evaluating this guidance to determine the potential impact of adoption on its consolidated financial statements and disclosures.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. The amendments of this update provide guidance on eight cash flow classification issues: debt prepayment and debt extinguishment costs, settlement of certain debt instruments, contingent consideration payments made after a business combination, proceeds from the settlement of insurance claims, proceeds from the settlement of corporate-owned life insurance policies, distributions received from equity method investees, beneficial interests in securitization transactions, and separately identifiable cash flows and application of the predominance principle. The amendments of this update are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments shall be reflected as of the beginning of the fiscal year that includes that interim period. Management is currently assessing this guidance to determine the Company's adoption date and the potential impact of adoption on the Company's consolidated financial statements and disclosures.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation—Stock Compensation (Topic 718)*: *Improvements to Employee Share-Based Payment Accounting*. Amendments of this Update change the accounting for certain aspects of share-based payments to employees. The guidance requires the recognition of the income tax effects of awards in the income statement when the awards vest or are settled, thus eliminating additional paid-in capital pools. The guidance also allows for the employer to repurchase more of an employee's shares for tax withholding purposes without triggering liability accounting. In addition, the guidance allows for a policy election to account for forfeitures as they occur rather than on an estimated basis, as is currently required. Amendments of the Update are effective for annual periods beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted. Management is currently evaluating this guidance to determine the potential impact of adoption on its consolidated financial statements and disclosures

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The amendments of this guidance require a lessee to recognize most leases on its balance sheet, and recognize expenses on the income statement in a manner similar to current practice. The lessee will recognize a lease liability calculated as the present value of its obligation to make lease payments and a right-to-use asset for the right to use the underlying assets for the lease term. Leases will continue to be classified as either financing or operating. Operating leases will result in a single lease cost allocated over the lease term on a straight-line basis with cash payments presented as cash flows from operations. Financing leases will result in separate presentation of interest expense on the lease liability and amortization expense of the right-to-use asset, with repayments of the principal portion of the lease liability presented as financing activities and payments of interest on the lease liability and variable lease payments presented as operating activities. The amendments of this update are effective for public companies in annual periods beginning on or after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The Company leases office premises and equipment as described in Note 17. Management expects to adopt this ASU for the Company's fiscal year beginning October 1, 2019, and is currently evaluating

this guidance to determine the potential impact of adoption on its consolidated financial statements and disclosures.

In May 2014, the FASB issued ASU No. 2014-09*, Revenue from Contracts with Customers (Topic 606)*, which revises and consolidates current guidance, eliminates industry-specific revenue recognition guidance and establishes a comprehensive principle-based approach for determining revenue recognition. The core principle of the guidance is that an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for providing those goods or services. Amendments of this update set forth a five-step revenue recognition model to be applied consistently to all contracts with customers, except those that are within the scope of other topics in the ASC: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligation in the contract, and recognize revenue when (or as) the entity satisfies a performance obligation. The update also provides guidance regarding the recognition of costs related to obtaining and fulfilling customer contracts. This update also requires quantitative and qualitative disclosures sufficient to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including disclosures on significant judgments made when applying the guidance.

Subsequent to the issuance of ASU 2014-09, the FASB issued the following pronouncements, which each amend ASU 2014-09: ASU 2015-14 deferred the effective date of ASU 2014-09 from annual and interim periods beginning after December 15, 2016 to annual and interim periods beginning after December 15, 2017. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. With the issuance of ASU 2016-08 in March 2016, the FASB clarified the implementation guidance on principals versus agent considerations in FASB ASC 606. In April 2016, the FASB issued ASU 2016-10, which clarified implementation guidance on identifying performance obligations and licensing in FASB ASC 606. Other provisions of the guidance in FASB ASC 606 were also amended with the issuances of ASU 2016-12 in May 2016 and ASU 2016-20 in December 2016.

The update permits adoption using either a full retrospective approach, under which all years included in the financial statements will be presented under the revised guidance, or a modified retrospective approach, under which financial statements will be prepared under the revised guidance for the year of adoption, but not for prior years. Under the latter method, entities will recognize a cumulative adjustment to the opening balance of retained earnings for contracts that still require performance by the entity at the date of adoption. Management expects to adopt this update for the Company’s fiscal year beginning October 1, 2018. Management is in the early stages of assessing the amendments of this update to select a transition method and to determine the potential impact of adoption on its consolidated financial statements and disclosures.

Note 4—Business Acquisition

Pursuant to a purchase agreement, on September 22, 2017, the Company acquired the ongoing sand and gravel mining operations located in Etowah, Elmore and Autauga counties in Alabama in order to expand our aggregate production facilities. This acquisition has been accounted for as a business combination. Consideration paid to consummate the acquisition consisted of $10.8 million cash paid on the closing date. The Company also entered into a purchase commitment with the seller to purchase $3.1 million of inventory over the next two years.

Identifiable assets acquired and liabilities assumed were recorded at their estimated fair values based on the methodology described under *Fair Value Measurements* in Note 2. The excess of consideration paid over the net fair value of assets acquired and liabilities assumed in the amount of $0.6 million was recorded as goodwill. The

amount of consideration paid in excess of the fair value of net assets acquired is recorded as goodwill, which is deductible for income tax purposes. The following summarizes the provisional allocation of total consideration paid to the fair value of identifiable assets, subject to final adjustment (in thousands):

Inventory	$ 1,179
Quarry reserves	4,800
Land	1,746
Plant	1,247
Equipment	1,228
Goodwill	643
	$10,843

The results of operations associated with this acquisition are included in the consolidated financial statements since the acquisition date and were not material to the Consolidated Statements of Income. Pro forma results of operations as if the acquisition had been consummated on October 1, 2015 are not material to the Consolidated Statements of Income for the fiscal year ended September 30, 2016 or September 30, 2017.

Note 5—Contracts Receivable including Retainage, net

Contracts receivable including retainage, net are comprised of the following at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Contracts receivable	$ 90,681	$109,538
Retainage	13,168	13,180
	103,849	122,718
Allowance for doubtful accounts	(1,039)	(1,734)
Contracts receivable including retainage, net	$102,810	$120,984

The following is a summary of changes in the allowance for doubtful accounts balance during the fiscal years ended September 30, 2016 and September 30, 2017 (in thousands):

	For the Fiscal Years Ended September 30,	
	2016	2017
Balance at beginning of period	$ 1,616	$1,039
Charged to bad debt expense	732	1,445
Write-off of contracts receivable including retainage	(1,309)	(750)
Balance at end of period	$ 1,039	$1,734

Retainage receivables have been billed but are not due until contract completion and acceptance by the customer.

Note 6—Costs and Estimated Earnings on Uncompleted Contracts

Costs and estimated earnings compared to billings on uncompleted contracts at September 30, 2016 and September 30, 2017 consist of the following (in thousands):

	September 30,	
	2016	2017
Costs on uncompleted contracts	$ 534,596	$ 489,661
Estimated earnings to date on uncompleted contracts	58,475	62,193
	593,071	551,854
Billings to date on uncompleted contracts	(612,513)	(579,370)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$ (19,442)	$ (27,516)

Reconciliation of net billings in excess of costs and estimated earnings to amounts reflected on the Company's Consolidated Balance Sheet at September 30, 2016 and September 30, 2017 is follows (in thousands):

	September 30,	
	2016	2017
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 7,446	$ 4,592
Billings in excess of costs and estimated earnings on uncompleted contracts	(26,888)	(32,108)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$(19,442)	$(27,516)

Note 7—Property, Plant and Equipment

Property, plant and equipment at September 30, 2016 and September 30, 2017 consist of the following (in thousands):

	September 30,	
	2016	2017
Construction equipment	$ 150,675	$ 154,911
Asphalt plants	61,199	66,379
Land and improvements	15,835	20,991
Quarry reserves	2,419	7,219
Buildings	9,597	9,848
Furniture and fixtures	3,770	3,870
Leasehold improvements	407	765
Total property, plant and equipment, gross	243,902	263,983
Accumulated depreciation, depletion and amortization	(139,564)	(148,072)
Total property, plant and equipment, net	$ 104,338	$ 115,911

Depreciation, depletion and amortization expense related to property, plant and equipment for the fiscal years ended September 30, 2016 and September 30, 2017 was $21.1 million and $20.8 million, respectively.

Note 8—Goodwill and Other Intangible Assets

The following presents goodwill activity during the fiscal years ended September 30, 2016 and September 30, 2017 (in thousands):

Balance at September 30, 2015	$29,957
Balance at September 30, 2016	29,957
Additions	643
Balance at September 30, 2017	$30,600

A summary of other intangible assets at September 30, 2016 and September 30, 2017 is as follows (in thousands):

		September 30,					
		2016			2017		
	Useful Life (Years)	Gross	Accumulated Amortization	Net Book Value	Gross	Accumulated Amortization	Net Book Value
Indefinite-lived:							
License	Indefinite	$2,000	$ —	$2,000	$2,000	$ —	$2,000
Definite-lived:							
Non-compete agreements	5 years	1,500	(650)	850	1,500	(950)	550
Total Intangible Assets		$3,500	$(650)	$2,850	$3,500	$(950)	$2,550

Total amortization expense related to definite-lived intangible assets was $0.4 million and $0.3 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively.

Estimated future total amortization expense related to definite-lived intangible assets is as follows (in thousands):

Fiscal Year	Estimated Amortization Expense
2018	$300
2019	250
Thereafter	—
Total	$550

Note 9—Liabilities

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities were comprised of the following at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Accrued payroll and benefits	$10,357	$13,364
Treasury stock purchase obligation	3,000	2,569
Accrued insurance costs	2,457	1,198
Other current liabilities	1,717	2,905
Total accrued expenses and other current liabilities	$17,531	$20,036

Other long-term liabilities

Other long-term liabilities were comprised of the following at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Treasury stock purchase obligation	$3,138	$ 569
Accrued insurance costs	3,205	3,796
Other	574	655
Total other long-term liabilities	$6,917	$5,020

Note 10—Debt

The Company maintains various credit facilities from time to time to finance acquisitions, the purchase of real estate, construction equipment, asphalt plants and other fixed assets, and for general working capital purposes. Debt at September 30, 2016 and September 30, 2017 consisted of the following (in thousands):

	September 30,	
	2016	2017
Long-term debt:		
Compass Term Loan	$ —	$ 47,500
Compass Revolving Credit Facility	—	10,000
CIT Credit Facility	38,774	—
Capitala Term Loan	12,500	—
Other long-term debt	6,866	—
Total long-term debt	58,140	57,500
Deferred debt issuance costs	(2,279)	(364)
Current maturities of long-term debt	(9,760)	(10,000)
Long-term debt, net of current maturities	$46,101	$ 47,136
Current maturities of debt:		
Current maturities of long-term debt	9,760	10,000
Revolving lines of credit	5,101	—
Total current maturities of debt	$14,861	$ 10,000

Compass Credit Agreement

On June 30, 2017, Construction Partners Holdings, Inc. ("Construction Partners Holdings"), the Company's wholly-owned subsidiary entered into a credit agreement with Compass Bank as Agent, Sole Lead Arranger and Sole Bookrunner (as amended, the "Compass Credit Agreement"), which provides for a $50.0 million term loan (the "Compass Term Loan") and a $30.0 million revolving credit facility (the "Compass Revolving Credit Facility"). The Compass Credit Agreement was used to refinance all existing long-term and short-term debt, as described below. The principal amount of the Compass Term Loan must be paid in quarterly installments of $2.5 million. All amounts borrowed under the Compass Credit Agreement mature on July 1, 2022.

Construction Partners Holdings' obligations under the Compass Credit Agreement are guaranteed by the Company and all of Construction Partners Holdings' direct and indirect subsidiaries and are secured by a first priority security interest in substantially all of the Company's assets.

Under the Compass Credit Agreement, borrowings can be designated as base rate loans or Euro-Dollar Loans. The interest rate on base rate loans fluctuates and is equal to (i) the highest of: (a) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its "prime rate," (b) the federal funds rate plus 0.50% and (c) the quotient of the London Interbank Offered Rate ("LIBOR") for deposits in U.S. dollars as obtained from Reuter's, Bloomberg or another commercially available source designated by the Agent two Euro-Dollar Business Days (as defined in the Compass Credit Agreement) before the first day of the applicable interest period divided by 1.00 minus the Euro-Dollar Reserve Percentage (as defined in the Compass Credit Agreement) plus 1.0% for a one-month interest period, plus (ii) the applicable rate, which ranges from 2.0% to 2.25%. The interest rate for Euro-Dollar loans fluctuates and is equal to the sum of the applicable rate, which ranges from 2.0% to

2.25%, plus LIBOR for the interest period selected by the Agent. In order to economically hedge against changes in interest rates, on June 30, 2017, the Company entered into an interest rate swap agreement with a notional amount of $25.0 million, under which we pay a fixed percentage rate of 2.015% and receive a credit based on the applicable LIBOR rate. This swap agreement does not meet the criteria for hedge accounting treatment in accordance with GAAP. At September 30, 2017, the notional value of this interest rate swap agreement was $23.75 million and the fair value was $(0.2) million, which is included within other liabilities on the Consolidated Balance Sheet.

Construction Partners Holdings must pay a commitment fee of 0.35% per annum on the aggregate unused revolving commitments under the Compass Credit Agreement as well as fees with respect to any letters of credit issued under the Compass Credit Agreement.

The Compass Credit Agreement contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on Construction Partners Holdings' ability to make acquisitions, make loans or advances, make capital expenditures and investments, create or incur indebtedness, create liens, wind up or dissolve, consolidate, merge or liquidate, or sell, transfer or dispose of assets. The Compass Credit Agreement requires Construction Partners Holdings to satisfy certain financial covenants, including a minimum fixed charge coverage ratio of 1.20 to 1.00. The Compass Credit Agreement also requires us to maintain a maximum consolidated leverage ratio of 2:00 to 1.00, subject to certain adjustments as further described in the Compass Credit Agreement. The Compass Credit Agreement includes customary events of default, including, among other things, payment default, covenant default, breach of representation or warranty, bankruptcy, cross-default, material ERISA events, certain changes of control, material money judgments and failure to maintain subsidiary guarantees. The Compass Credit Agreement prevents Construction Partners Holdings from paying dividends or otherwise distributing cash to the Company unless, after giving effect to such dividend, Construction Partners Holdings would be in compliance with the financial covenants and, at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend. At September 30, 2017, the Company was in compliance with all covenants under the Compass Credit Agreement.

CIT Credit Facility (repaid in full and terminated June 30, 2017)

On December 12, 2014 the Company and its wholly-owned subsidiaries ("Borrowers") entered a credit agreement with a consortium of six financial institutions represented by CIT Finance LLC ("CIT") acting as Administrative Agent and Collateral Agent ("CIT Credit Facility"). The $76.0 million facility consisted of a $49.0 million term loan ("CIT Term Loan") and capacity for additional borrowings of $27.0 million to finance future purchases of certain fixed assets ("CapEx Facility"). In connection with incurring this debt, the Company recorded $2.3 million in deferred debt issuance costs, which are included in "Long-term debt, net of current maturities" in the Company's Consolidated Balance Sheet at September 30, 2016 and was amortized to interest expense over the original term of the facility. At June 30, 2017, the remaining unamortized balance of deferred debt issuance costs was recorded as a loss on extinguishment of debt upon repayment of the loan in conjunction with the refinancing described above.

Proceeds from the CapEx Facility were used to acquire Eligible Equipment as defined in the CIT Credit Facility. Borrowings are secured by equipment purchased, which is subject to periodic appraisal at the request of the Collateral Agent. The net cash proceeds received from the sale or disposition of any collateral shall be applied to repay the outstanding loan obligation. Under the terms of the agreement, borrowings under the CapEx Facility were converted to the CIT Term Loan balance on the last day of each quarter in which borrowings occurred.

The CIT Credit Facility bore interest at an annual rate of 3-months LIBOR plus 3.5% (4.34% at September 30, 2016) which was subject to (i) certain payment restrictions; and (ii) mandatory Prepayment provision if the

aggregate balance outstanding to any Borrower exceeds defined limits. Principal on the CIT Term Loan was payable quarterly at 3.125% of aggregate gross borrowings, with a final payment of the outstanding principal amount on December 12, 2019. The Company was permitted to repay the CIT Term Loan in any year. The CIT Credit Facility contained certain financial covenants including leverage ratio and fixed charge coverage ratio requirements, and restricted the Company's ability to, among other things: incur liens and encumbrances on equipment, incur further indebtedness, make dividend payments except under certain conditions or express waiver, dispose of a material portion of assets or merge with a third party, and make investments in securities.

On June 30, 2017, the Company repaid all outstanding principal and interest in the amount of $32.0 million and terminated the CIT Credit Facility. On that same date, unamortized deferred debt issuance costs in the amount of $1.0 million were charged to loss on extinguishment of debt.

Capitala Term Loan (repaid in full and terminated June 30, 2017)

On December 12, 2014, the Company and certain of its subsidiaries entered into a second lien credit agreement with Capitala Finance Corp., which provides for $12.5 million interest only term loan ("Capitala Term Loan"). In connection with incurring this debt, the Company recorded $1.4 million in deferred debt issuance costs, which were included in "Long-term debt, net of current maturities" in the Company's Consolidated Balance Sheet and amortized to interest expense over the term of the Capitala Term Loan.

The Capitala Term Loan bore interest at an annual rate of 11.5%, which was subject to certain restrictions. 100% of the outstanding principal amount was due on maturity on June 12, 2020. The Company was permitted to repay the Capitala Term Loan in any year, subject to a pre-payment fee for the first 24 months. The Capitala Term Loan contained certain financial covenants including leverage ratio and fixed charge coverage ratio requirements, and restricted the Company's ability to, among other things: incur liens and encumbrances on equipment, incur further indebtedness, make dividend payments except under certain conditions or express waiver, dispose of a material portion of assets or merge with a third party, and make investments in securities.

On June 30, 2017, the Company repaid all outstanding principal and interest in the amount of $12.6 million and terminated the Capitala Term Loan. On that same date, unamortized deferred debt issuance costs in the amount of $0.7 million were charged to loss on extinguishment of debt.

Other Debt (repaid in full and terminated June 30, 2017)

The Company's outstanding debt at September 30, 2016 included certain other term loans and revolving credit facilities. These loans were collateralized with the assets financed by the borrowings and include terms that vary for each facility, including interest rates ranging from 3.33% to 11.5% and maturities ranging from December 2016 through June 2020. The outstanding principal balance of these facilities at September 30, 2016 included $6.9 million under various term loan facilities and $5.1 million under various revolving lines of credit. Total borrowing capacity under the lines of credit was $16.5 million at September 30, 2016.

On June 30, 2017, the Company repaid all outstanding principal and interest under these loans in the amount of $10.1 million, and terminated all related agreements.

The scheduled contractual repayment terms of long-term debt at September 30, 2017 are as follows:

Fiscal Year	
2018	$10,000
2019	10,000
2020	10,000
2021	10,000
2022	17,500
Thereafter	—
Total	$57,500

Interest expense was $4.9 million and $4.1 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively. Amortization of deferred issuance costs included in interest expense was $0.9 million and $0.7 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively.

Note 11—Equity

At September 30, 2017, the Company had authorized for issuance 1,000,000 shares of preferred stock, par value $0.001. No preferred shares were issued and outstanding at September 30, 2017.

At September 30, 2017, the Company had authorized for issuance 126,000,000 shares of common stock, par value per share $0.001. In April 2016, the Company entered into an agreement to purchase 2,709,151 shares of the Company's stock from a former stockholder for an aggregate of $9.1 million. In connection with this agreement, the Company made payments of $3.0 million each in April 2016 and April 2017, and is obligated to make future payments of $2.5 million and $0.6 million in April 2018 and April 2019, respectively, which are reflected as accrued expenses and other current liabilities, and other long-term liabilities, respectively, on the Company's Consolidated Balance Sheet.

The following presents the Company's outstanding shares and treasury shares during the fiscal years ended September 30, 2016 and September 30, 2017 (dollars in thousands):

	Common Shares Outstanding	Treasury Shares	
		Shares	Cost
Outstanding, September 30, 2015	44,148,691	(838,884)	$ (3,695)
Treasury stock purchases	(2,709,151)	(2,709,151)	(9,138)
Issuance of treasury shares	62,950	62,950	212
Outstanding, September 30, 2016	41,502,490	(3,485,085)	(12,621)
Issuance of treasury shares	189,051	189,051	638
Outstanding, September 30, 2017	41,691,541	(3,296,034)	$(11,983)

On December 21, 2016, the Company's Board of Directors declared a special dividend to common shareholders of record as of the close of business on December 15, 2016 in the amount of $31.3 million ($0.754 per share). The dividend was paid from cash on hand on January 10, 2017. Management does not expect the Company to declare stock dividends in the foreseeable future; however, the Company's future dividend policy will depend upon earnings, financial condition, capital requirements and certain other factors, including terms of credit agreements that restrict the Company's ability to declare or pay dividends.

Note 12—Earnings per Share

The following summarizes the weighted-average number of basic and diluted common stock shares outstanding and the calculation of basic and diluted earnings per share for the fiscal years ended September 30, 2016 and September 30, 2017, respectively (dollars in thousands, except share and per share amounts):

	For the Fiscal Years Ended September 30,	
	2016	2017
Numerator		
Net income attributable to common shareholders	$ 22,022	$ 26,040
Denominator		
Weighted average number of common shares outstanding, basic and diluted	43,009,120	41,550,293
Net income per common share attributable to common shareholders, basic and diluted	$ 0.51	$ 0.63

There is no difference between basic and diluted earnings per share for the fiscal years ended September 30, 2016 or September 30, 2017. The Company had 958,034 and 768,984 common stock equivalents which were excluded from the calculation of diluted earnings per share for the fiscal years ended September 30, 2016 and September 30, 2017, respectively, since their inclusion would be anti-dilutive.

Note 13—Equity-based Compensation

2017 Options

On March 7, 2017, the Company granted to a certain employee options to purchase 74,592 shares of the Company's common stock with an exercise price of $0.0397 per share and an expiration date of March 7, 2027. The options are classified as equity awards. The grant date fair value was $5.52, calculated using the Black-Scholes option pricing model applied to the following inputs.

Risk-free rate	2.04%
Expected term (in years)	5
Expected volatility	50%
Expected dividend yield	0%
Value of underlying stock	$5.56

These options vested 100% at the date of grant, and are exercisable only during a Change in Control Exercise Period as defined by the award. Unrecognized compensation expense in connection with these options at September 30, 2017 is $0.4 million. At September 30, 2017, all 74,592 options are outstanding and vested. None of these options are exercisable or have intrinsic value at September 30, 2017, since a change of control had not occurred through that date.

2016 Equity Incentive Plan

On August 22, 2016, the Company granted to certain employees options to purchase 252,000 shares of the Company's common stock with an exercise price of $3.37 per share and an expiration date of August 22, 2026.

The options are classified as equity awards. The grant date fair value was $2.90, calculated using the Black-Scholes option pricing model applied to the following inputs.

Risk-free rate	1.31%
Expected term (in years)	6
Expected volatility	50%
Expected dividend yield	0%
Value of underlying stock	$4.97

These options do not contain performance conditions or market conditions. The requisite service period is the vesting period in accordance with the following schedule:

Percent Vested	Vesting Date
25%	Grant Date, August 22, 2016
25%	March 15, 2017
25%	March 15, 2018
25%	March 15, 2019

During the fiscal year ended September 30, 2016, the Company recorded compensation expense in connection with these options in the amount of $0.2 million, which is reflected as general and administrative expense in the Company's Consolidated Statement of Income. On May 8, 2017, all options granted under the 2016 Equity Incentive Plan were modified to immediately vest all remaining unvested options outstanding. Accordingly, all remaining unrecognized compensation expense was recognized during that period. Total compensation expense recorded during the fiscal year ended September 30, 2017 in connection with these options was $0.5 million. At September 30, 2017, there was no unrecognized compensation expense related to unvested options.

The following is a summary of changes to the number of unvested options under the 2016 Equity Incentive Plan during the years ended September 30, 3016 and September 30, 2017:

Unvested options outstanding at September 30, 2015	—
Granted	252,000
Vested	(63,000)
Forfeited	—
Unvested options outstanding at September 30, 2016	189,000
Granted	—
Vested	(189,000)
Forfeited	—
Unvested options outstanding at September 30, 2017	—

The intrinsic value of options exercised during the fiscal years ended September 30, 2016 and September 30, 2017 was $0.1 million and $0.4 million, respectively. The intrinsic value of options outstanding at September 30, 2016 was $0.3 million. No options were outstanding under the 2016 Equity Incentive Plan at September 30, 2017.

The following is a summary of activity related to options under the 2016 Equity Incentive Plan during the years ended September 30, 2016 and September 30, 2017:

Outstanding, September 30, 2015	—
Granted	252,000
Exercised	(62,950)
Forfeited or expired	—
Outstanding, September 30, 2016	189,050
Granted	—
Exercised	189,050
Forfeited or expired	—
Outstanding, September 30, 2017	—

The Company received proceeds of $0.2 million and $0.6 million from option holders upon exercises during the fiscal years ended September 30, 2016 and September 30, 2017, respectively. Shares were issued from treasury shares.

2010 Non-Plan Stock Options Plan, as amended

In 2010, the Company granted certain employees options to purchase 768,984 shares of the Company's common stock with an exercise price of $5.70 per share. The options are classified as equity awards. No options have been exercised or forfeited, and all remain outstanding and exercisable at September 30, 2016 and September 30, 2017. The options had no intrinsic value at September 30, 2016 or September 30, 2017.

Note 14—Provision for Income Taxes

The Company files a consolidated U.S. income tax return and income tax returns in various states. Management evaluated the Company's tax positions based on appropriate provisions of applicable enacted tax laws and regulations and believes that they are supportable based on their specific technical merits and the facts and circumstances of the transactions.

The provision for income taxes for the fiscal years ended September 30, 2016 and September 30, 2017 consists of the following (in thousands):

	For the Fiscal Years Ended September 30,	
	2016	2017
Current		
U.S. Federal	$ 976	$11,977
State	1,418	1,900
Total current	2,394	13,877
Deferred		
U.S. Federal	9,813	711
State	(1,666)	154
Total deferred	8,147	865
Provision for income taxes	$10,541	$14,742

Differences exist between income and expenses reported on the consolidated financial statements and those deducted for U.S. Federal and state income tax reporting. The Company's deferred tax assets and liabilities are comprised of the following temporary difference tax effects at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Deferred tax assets		
Allowance for bad debt	$ 705	$ 936
Amortization of finite-lived intangible assets	771	751
State net operating loss	2,073	1,928
Alternative minimum tax credit	696	—
Employee benefits	313	243
Accrued insurance claims	1,195	1,417
Other	627	506
Total deferred tax assets, net	6,380	5,781
Deferred tax liabilities		
Amortization of goodwill	(4,148)	(5,022)
Property, plant and equipment	(8,895)	(8,550)
Other	(263)	—
Total deferred tax liabilities, net	(13,306)	(13,572)
Net deferred tax assets (liabilities)	$ (6,926)	$ (7,791)

The Consolidated Balance Sheets at September 30, 2016 and September 30, 2017 includes gross deferred tax assets of $6.4 million and $5.8 million, respectively. In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which those temporary differences are deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected taxable income, and tax-planning strategies in making this assessment. Based on the weight of all evidence known and available as of the balance sheet date, management believes that these tax benefits are more likely than not to be realized in the future. To the extent management does not consider it more likely than not that a deferred tax asset will be recovered, a valuation allowance is established.

The Company had recorded a valuation allowance for 100% of the deferred tax benefit related to a Florida net operating loss carryforward. Due to the ongoing utilization of the Florida net operating loss carryforward in 2016, the Company's determination that it is more likely than not the net operating loss will be utilized prior to its expiration, and the Company no longer being in a cumulative three year tax loss position in Florida, the remaining $2.1 million allowance was eliminated at September 30, 2016.

Income taxes payable have been reduced by fuel tax credits of $0.4 million and $0.3 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively. The remaining amount of goodwill expected to be deductible for tax purposes was $17.0 million and $15.3 million at September 30, 2016 and September 30, 2017, respectively.

Following is a reconciliation of net deferred tax assets (liabilities) to amounts reflected on the Company's Consolidated Balance Sheets at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Asset: Deferred income taxes, net	$ 2,012	$ 1,876
Liability: Deferred income taxes, net	(8,938)	(9,667)
Net deferred tax assets (liabilities)	$(6,926)	$(7,791)

At September 30, 2016 and September 30, 2017, the Company had a state net operating loss carryforward of $56.7 million and $52.5 million, respectively. The Company had a federal alternative minimum tax credit of $0.7 million at September 30, 2016 and no alternative minimal tax credit available at September 30, 2017. The Company did not have any state income tax credit carryforwards at September 30, 2016 or September 30, 2017. The state net operating loss credit carryforwards expire in varying amounts between the fiscal years ended September 30, 2020 and September 30, 2030.

The U.S. statutory tax rate applicable to the Company was 34.0% and 35.0% during the fiscal years ended September 30, 2016 and September 30, 2017, respectively. The following table reconciles income taxes based on the U.S. statutory tax rate to the Company's income before provision for income taxes for the fiscal years ended September 30, 2016 and September 30, 2017 (in thousands):

	For the Fiscal Years Ended September 30,	
	2016	2017
Provision for income tax at federal statutory rate	$11,071	$14,260
State income taxes	1,385	1,268
Reversal of state tax asset valuation allowance	(2,129)	—
Other	214	(786)
Provision for income taxes	$10,541	$14,742

Uncertain Tax Positions

Accounting Standards Codification ("ASC") 740, *Income Taxes* prescribes a recognition threshold and measurement model for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return and provides guidance on derecognition classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Company is subject to tax audits in various jurisdictions in the U.S. Tax audits by their very nature are often complex. In the normal course of business, the Company is subject to challenges from the IRS and other tax authorities regarding amounts of taxes due. These challenges may alter the timing or amount of taxable income or deductions, or the allocation of income among tax jurisdictions. As part of the calculation of the provision for income taxes on earnings, management determines whether the benefits of the Company's tax positions are at least more likely than not to be sustained upon audit based on the technical merits of the tax position. For tax positions that are more likely than not to be sustained upon audit, management accrues the largest amount of the benefit that is more likely than not to be sustained. Such accruals require management to make estimates and judgments with respect to the ultimate outcome of a tax audit. Actual results could vary materially from these estimates. The Company performed an analysis of its tax positions and determined that no uncertain tax positions

exist. Accordingly, there was no liability for uncertain tax positions at September 30, 2016 or September 30, 2017. Based on the provisions of ASC 740, the Company had no material unrecognized tax benefits at September 30, 2016 or September 30, 2017. Due to the utilization of net operating loss carryforwards, the Company's federal income tax returns for fiscal years ended September 30, 2012 through September 30, 2017 are subject to examination. Various state income tax returns for fiscal years ended September 30, 2011 through September 30, 2017 are subject to examination.

Note 15—Employee Benefit Plans

Defined Contribution Plan

The Company offers a 401(k) retirement plan covering substantially all employees at least 21 years of age and with more than one year of service. The Company makes discretionary employer contributions, subject to IRS safe harbor rules. Employer contributions charged to earnings during the fiscal years ended September 30, 2016 and September 30, 2017 were $1.4 million and $1.8 million, respectively.

Note 16—Related Parties

On January 30, 2015, the Company entered into a master services subcontract with Austin Trucking, LLC ("Austin Trucking"), an entity owned by an immediate family member of a Senior Vice President of the Company. Pursuant to the agreement, Austin Trucking performs subcontract work for the Company, including trucking services. For these subcontract services, the Company incurred costs of approximately $11.0 million and $11.8 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively, which is included as cost of revenues on the Consolidated Statements of Income. At September 30, 2016 and September 30, 2017, the Company had $0.6 million and $1.0 million, respectively, due to Austin Trucking reflected as accounts payable on its Consolidated Balance Sheets.

From time to time, the Company provides construction services to various companies owned by a family member of a Senior Vice President of the Company. For these services the Company earned approximately $2.0 million and $6.3 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively, which is included as revenues on the Consolidated Statements of Income. At September 30, 2016 and September 30, 2017, the Company had $2.7 million and $5.3 million, respectively, due from these companies reflected as contracts receivable on its Consolidated Balance Sheets.

For periodic corporate events, the Company charters a boat from Deep South Adventures, LLC, which is owned by a Senior Vice President of the Company. The Company paid Deep South Adventures, LLC approximately $0.4 million and $0.3 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively, and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

On June 1, 2014, the Company entered into an access agreement with Island Pond Corporate Services, LLC ("Island Pond") regarding certain property owned by one of the Company's founders and the Chairman of the Board of Directors as well as Managing Partner of SunTx. Pursuant to the access agreement, Island Pond grants the Company the non-exclusive right to use that certain land located in Baker County, Georgia for the purposes of business development. Pursuant to the terms of this agreement, the Company paid Island Pond approximately $0.3 million during each of the fiscal years ended September 30, 2016 and September 30, 2017, and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company rents vehicles from an entity owned by a family member of a Senior Vice President of the Company. The vehicles are rented on a month-to-month basis. The Company paid this entity approximately

$1.4 million and $1.2 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

A family member of a Senior Vice President of the Company provides consulting services to the Company. For these consulting services, the Company paid approximately $0.2 million during each of the fiscal years ended September 30, 2016 and 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

A law firm owned by a family member of a Senior Vice President of the Company, provides legal services to the Company. For this legal work, the Company paid the law firm approximately $0.3 million during each of the fiscal years ended September 30, 2016 and September 30, 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company leases office space for the Dothan, Alabama office from H&K, Ltd. (“H&K”), an entity partly owned by a Senior Vice President of the Company. The office space is leased through early 2020. Under the lease agreement, the Company pays a fixed minimum rent per month. Pursuant to the terms of the lease agreement, the Company paid H&K approximately $0.1 million during each of the fiscal years ended September 30, 2016 and September 30, 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company leases office space for its Montgomery, Alabama office from H&A Properties LLC (“H&A”), an entity partially owned by two Senior Vice Presidents of the Company. The office space is leased through early 2020. Under the lease agreement, the Company pays a fixed minimum rent per month. Pursuant to the terms of the lease agreement, the Company paid H&A approximately $0.1 million during each of the fiscal years ended September 30, 2016 and September 30, 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company is party to a management services agreement with SunTx under which the Company pays $0.25 million per fiscal quarter, as well as reimbursement of certain travel expenses. During each of the fiscal years ended September 30, 2016 and September 30, 2017, the Company incurred and paid a total of $1.3 million to SunTx related to such fees and expense reimbursements and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

Note 17—Commitments and Contingencies

Operating Leases

The Company leases office premises and equipment. Where leases contain escalation clauses or concessions, such as rent holidays and landlord/tenant incentives or allowances, the impact of such adjustment is recognized on a straight-line basis over the minimum lease period. Certain leases provide for renewal options and require the payment of real estate taxes or other occupancy costs, which are also subject to escalation clauses. Operating lease expense amounted to approximately $6.5 million and $9.1 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively, which is primarily included in cost of revenues in the Consolidated Statements of Income.

Future minimum obligations under non-cancelable operating leases at September 30, 2017 are as follows (in thousands):

Fiscal Year	
2018	$ 8,876
2019	6,793
2020	4,204
2021	1,914
2022	450
Thereafter	—
Total	$22,237

These amounts include obligations to related parties described in Note 16 of $0.2 million in each of fiscal years 2018 through 2019, and $0.1 million in fiscal year 2020.

Litigation, Claims, and Assessments

The Company, from time to time, is subject to various inquiries or audits by taxing authorities (income taxes or other) originating from its operations, covering a wide range of matters that arise in the ordinary course of business. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may not be resolved in the Company's favor. The Company is also involved in other legal and administrative proceedings arising in the ordinary course of business. The outcomes of these inquiries and legal proceedings are not expected to have a material effect on the Company's financial position or results of operations on an individual basis, although adverse outcomes in a significant number of such ordinary course inquires and legal proceedings could, in the aggregate, have a material adverse effect on the Company's financial condition and results of operations.

Letters of Credit

During the fiscal year ended September 30, 2016, the Company had capacity of $9.0 million under credit facilities to obtain letters of credit in the normal course of business. Under the Compass Revolving Credit Facility entered into on June 30, 2017, the Company has a total capacity of $30.0 million which may be used for a combination of cash borrowings and letters of credit issuances. At September 30, 2016 and September 30, 2017, the Company had aggregate letters of credit outstanding in the amount of $7.6 million and $8.7 million respectively, primarily related to certain insurance policies as described in Note 2.

Note 18—Condensed Financial Statements of Registrant

CONSTRUCTION PARTNERS, INC.
PARENT COMPANY ONLY
CONDENSED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30,	
	2016	2017
ASSETS		
Cash	$ 1,201	$ 1,330
Investment in subsidiaries	160,962	162,274
Due from subsidiaries	10,886	—
Other assets	943	2,196
Total assets	$173,992	$165,799
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Treasury stock purchase obligation	$ 3,000	$ 2,569
Due to subsidiaries	—	6,449
Other current liabilities	—	1,061
Total short-term liabilities	3,000	10,079
Long-term liabilities:		
Long-term debt	11,571	—
Due to subsidiaries	—	2,971
Treasury stock purchase obligation	3,138	569
Total long-term liabilities	14,709	3,540
Total liabilities	17,709	13,619
Stockholders' Equity		
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding	—	—
Common stock, $.001 par value, 126,000,000 shares authorized, 44,987,575 issued and 41,502,490 and 41,691,541 outstanding at September 30, 2016 and September 30, 2017, respectively	45	45
Additional paid-in capital	141,872	142,385
Treasury stock, at cost	(12,621)	(11,983)
Retained earnings	26,987	21,733
Total stockholders' equity	156,283	152,180
Total liabilities and stockholders' equity	$173,992	$165,799

See note to condensed financial statements of parent company

CONSTRUCTION PARTNERS, INC.
PARENT COMPANY ONLY
CONDENSED STATEMENTS OF INCOME
(in thousands, except per share amounts)

	For the Fiscal Years Ended September 30,	
	2016	2017
Equity in net income of subsidiaries	$ 23,453	$ 28,312
Equity-based compensation expense	(217)	(513)
General and administrative expenses	(225)	(388)
Loss on extinguishment of debt	—	(714)
Interest expense	(1,739)	(1,338)
Income before provision for income taxes	21,272	25,359
Income tax benefit	750	681
Net income	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:		
Basic and diluted	$ 0.51	$ 0.63
Weighted average number of common shares outstanding:		
Basic and diluted	43,009,120	41,550,293

See note to condensed financial statements of parent company

CONSTRUCTION PARTNERS, INC.
PARENT COMPANY ONLY
CONDENSED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Fiscal Years Ended September 30,	
	2016	2017
Cash flows from operating activities:		
Net income	$ 22,022	$ 26,040
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization of deferred debt issuance costs	286	216
Loss on extinguishment of debt	—	714
Deferred income taxes	797	350
Equity-based compensation expense	217	513
Equity in net income of subsidiaries	(23,453)	(28,312)
Changes in operating assets and liabilities:		
Other current liabilities	—	1,061
Other assets	(356)	(1,603)
Net cash used in operating activities	(487)	(1,021)
Cash flows from investing activities:		
Return of investments in subsidiaries	—	27,000
Net cash provided by investing activities	—	27,000
Cash flows from financing activities:		
Change in amounts due to (from) subsidiaries, net	1,371	20,305
Repayments of long-term debt	—	(12,500)
Payment of treasury stock purchase obligation	(3,000)	(3,000)
Proceeds from reissuance of treasury stock	212	638
Common stock dividend paid	—	(31,293)
Net cash used in financing activities	(1,417)	(25,850)
Net change in cash	(1,904)	129
Cash:		
Beginning of Period	3,105	1,201
End of Period	$ 1,201	$ 1,330

See note to condensed financial statements of parent company

Note to Condensed Financial Statements of Parent Company

These condensed parent company-only financial statements have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X, as the restricted net assets of the subsidiaries of Construction Partners (as defined in Rule 4-08(e)(3) of Regulation S-X) exceed 25% of the consolidated net assets of the Company. The ability of Construction Partners, Inc.'s operating subsidiaries to pay dividends is restricted by the terms of the credit facilities described in Note 9.

These condensed parent company financial statements have been prepared using the same accounting principles and policies described in the notes to the consolidated financial statements, with the only exception being that the parent company accounts for its subsidiaries using the equity method. These condensed financial statements should be read in conjunction with the consolidated financial statements and related notes thereto. On September 20, 2017, the Company changed its name from SunTx CPI Growth Company, Inc. to Construction Partners, Inc.

Note 19—Subsequent Events

(a) In connection with the Company's contemplated initial public offering ("Offering"), its Board of Directors approved an amendment to the Company's certificate of incorporation to effect a 25.2 to 1 split of its common stock immediately preceding the closing of the Offering (the "Stock Split"). All share and per share amounts have been retroactively adjusted for all periods presented to give effect to this stock split.

(b) On April 19, 2018, certain of the Company's subsidiaries entered into settlement agreements with a third party, pursuant to which they will receive aggregate net payments of approximately $15.7 million, payable in four equal installments between January 2019 and July 2020, in exchange for releasing and waiving all current and future claims against the third party relating to a specific event. The Company expects to record a pre-tax gain of approximately $14.8 million in the quarter ended March 31, 2018, related to this settlement.

(c) The Company has evaluated subsequent events from the September 30, 2017 balance sheet date through December 20, 2017, the date at which the consolidated financial statements were available to be issued, and determined that there were no other material items to disclose.

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30, 2017	December 31, 2017 (unaudited)
ASSETS		
Current assets:		
Cash	$ 27,547	$ 30,219
Contracts receivable including retainage, net	120,984	94,489
Costs and estimated earnings in excess of billings on uncompleted contracts	4,592	6,996
Inventories	17,487	18,193
Other current assets	4,520	7,414
Total current assets	175,130	157,311
Property, plant and equipment, net	115,911	118,638
Goodwill	30,600	30,600
Intangible assets, net	2,550	2,475
Other assets	2,483	4,666
Deferred income taxes, net	1,876	2,235
Total assets	$328,550	$315,925
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 52,402	$ 41,036
Billings in excess of costs and estimated earnings on uncompleted contracts	32,108	36,586
Current maturities of debt	10,000	10,000
Accrued expenses and other current liabilities	20,036	13,900
Total current liabilities	114,546	101,522
Long-term liabilities:		
Long-term debt, net of current maturities	47,136	39,655
Deferred income taxes, net	9,667	6,556
Other long-term liabilities	5,020	5,015
Total long-term liabilities	61,823	51,226
Total liabilities	176,369	152,748
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding	—	—
Common stock, $.001 par value, 126,000,000 shares authorized, 44,987,575 issued and 41,691,541 outstanding	45	45
Additional paid-in capital	142,385	142,385
Treasury stock, at cost	(11,983)	(11,983)
Retained earnings	21,734	32,730
Total stockholders' equity	152,181	163,177
Total liabilities and stockholders' equity	$328,550	$315,925

The accompanying notes are an integral part of these consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(unaudited in thousands, except share and per share data)

	For the Three Months Ended December 31,	
	2016	2017
Revenues	$ 122,120	$ 150,421
Cost of revenues	103,391	127,623
Gross profit	18,729	22,798
General and administrative expenses	(10,563)	(12,426)
Gain on sale of equipment, net	254	145
Operating income	8,420	10,517
Interest expense, net	(1,047)	(297)
Other expense	(26)	(21)
Income before provision (benefit) for income taxes	7,347	10,199
Provision (benefit) for income taxes	2,786	(797)
Net income	$ 4,561	$ 10,996
Net income per share attributable to common stockholders:		
Basic and diluted	$ 0.11	$ 0.26
Weighted average number of common shares outstanding:		
Basic and diluted	41,502,490	41,691,541

The accompanying notes are an integral part of these consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in thousands, except share data)

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
Balance, September 30, 2017	44,987,571	$45	$142,385	$(11,983)	$21,734	$152,181
Net income	—	—	—	—	10,996	10,996
Balance, December 31, 2017 (unaudited)	**44,987,571**	**$45**	**$142,385**	**$(11,983)**	**$32,730**	**$163,177**

The accompanying notes are an integral part of these consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	For the Three Months Ended December 31,	
	2016	2017
Cash flows from operating activities:		
Net income	$ 4,561	$ 10,996
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization of long-lived assets	5,222	5,675
Amortization of deferred debt issuance costs	174	19
Provision for bad debt	145	145
Gain on sale of equipment, net	(254)	(145)
Equity-based compensation expense	82	—
Deferred income taxes	23	(3,470)
Changes in operating assets and liabilities:		
Contracts receivable including retainage, net	30,979	25,479
Costs and estimated earnings in excess of billings on uncompleted contracts	(1,274)	(2,466)
Inventories	(1,230)	(706)
Other current assets	(2,964)	(2,600)
Other assets	(1,106)	(549)
Accounts payable	(13,364)	(11,268)
Billings in excess of costs and estimated earnings on uncompleted contracts	1,296	4,599
Accrued expenses and other current liabilities	(4,044)	(6,214)
Other long-term liabilities	521	(5)
Net cash provided by operating activities	18,767	19,490
Cash flows from investing activities:		
Purchases of property, plant and equipment	(7,630)	(9,509)
Proceeds from sale of equipment	352	191
Net cash used in investing activities	(7,278)	(9,318)
Cash flows from financing activities:		
Repayments of revolving credit facility	—	(5,000)
Repayments of long-term debt	(2,810)	(2,500)
Net cash used in financing activities	(2,810)	(7,500)
Net change in cash	8,679	2,672
Cash:		
Beginning of Period	51,085	27,547
End of Period	$ 59,764	$ 30,219
Supplemental cash flow information:		
Cash paid for interest	$ 974	$ 489
Cash paid for income taxes	$ 100	$ 916
Non-cash items:		
Dividend declared not paid	$ 31,293	$ —
Notes receivable in connection with sale of subsidiary (Note 9)	$ —	$ 1,930

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1—General

Business Description

Construction Partners, Inc. (the "Company") is a leading infrastructure and road construction company operating in Alabama, Florida, Georgia, South Carolina and North Carolina through its wholly-owned subsidiaries. The Company provides site development, paving, utility and drainage systems, as well as hot mix asphalt supply. The Company executes projects for a mix of private, municipal, state, and federal customers that are both privately and publicly funded. The majority of the work is performed under fixed unit price contracts and, to a lesser extent, fixed total price contracts.

The Company was formed as a Delaware corporation in 2007 as a holding company for its wholly-owned subsidiary, Construction Partners Holdings, Inc., a Delaware corporation incorporated in 1999 and which began operations in 2001 to execute an acquisition growth strategy in the hot mix asphalt paving and construction industry. SunTx Capital Partners ("SunTx"), a private equity firm based in Dallas, Texas, is the Company's majority investor and has owned a controlling interest in the Company's stock since its inception. On September 20, 2017, the Company changed its name from SunTx CPI Growth Company, Inc. to Construction Partners, Inc.

Seasonality

The use and consumption of our products and services fluctuate due to seasonality. Our products are used, and our construction operations and production facilities are located, outdoors. Therefore, seasonal changes and other weather-related conditions, in particular extended rainy and cold weather in the spring and fall and major weather events, such as hurricanes, tornadoes, tropical storms and heavy snows, can adversely affect our business and operations through a decline in both the use of our products and demand for our services. In addition, construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during the third and fourth quarters of our fiscal year typically result in higher activity and revenues during those quarters. The first and second quarters of our fiscal year typically have lower levels of activity due to adverse weather conditions. The results of operations and cash flows for any fiscal quarter may not be indicative of future results or of the results of operations or cash flows for a full fiscal year. These interim consolidated financial statements should be read in conjunction with our audited consolidated financial statements and related notes thereto for the year ended September 30, 2017.

Note 2—Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of Construction Partners, Inc. and its wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. These interim consolidated statements have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"), which permit reduced disclosure for interim periods. The Consolidated Balance Sheet as of September 30, 2017 was derived from audited financial statements for the year then ended, but does not include all necessary disclosures required by accounting principles generally accepted in the United States of America ("U.S. GAAP") with respect to annual financial statements. In the opinion of management, the unaudited consolidated financial statements include all recurring adjustments and normal accruals necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the dates and periods presented. These financial statements and accompanying notes should be read in conjunction with the Company's

audited annual consolidated financial statements for the year ended September 30, 2017 and notes thereto. Results for interim periods are not necessarily indicative of the results to be expected for a full fiscal year or for any future period.

Common share and per share amounts have been retroactively adjusted for all periods presented to give effect to the Stock Split described in Note 10.

Management's Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, stockholders' equity, revenues and expenses during the reporting period, and the disclosure of contingent liabilities at the date of the financial statements. Estimates are used in accounting for items such as recognition of revenues and cost of revenues, goodwill and other intangible assets, allowance for doubtful accounts, valuation allowances related to income taxes, accruals for potential liabilities related to lawsuits or insurance claims, and the fair value of equity-based compensation awards. Estimates are continually evaluated based on historical information and actual experience; however, actual results could differ from these estimates. Actual results could differ materially from those estimates.

A description of certain critical accounting policies of the Company is presented below. Additional critical accounting policies and the underlying judgments and uncertainties are described in the notes to the Company's annual consolidated financial statements for the fiscal year ended September 30, 2017.

Emerging Growth Company

Construction Partners, Inc. is an "emerging growth company" as defined by the Jumpstart Our Business Startups Act, or "JOBS Act" enacted in April 2012. As an emerging growth company, the Company may take advantage of an exemption from being required to comply with new or revised financial accounting standards until the effective date of such standards is applicable to private companies. The JOBS Act provides that a company may elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. The Company has elected to opt out of such extended transition period, which means that when a standard is issued or revised and it has different effective dates for public and private companies, the Company is required to adopt the new or revised standard at the effective date applicable to public companies that are not emerging growth companies.

Contracts Receivable Including Retainage, net

Contracts receivable including retainage are generally based on amounts billed and currently due from customers, amounts currently due but unbilled, and amounts retained by the customer pending completion of a project. It is common in the Company's industry for a small portion of progress billings or the contract price, typically 10%, to be withheld by the customer until the Company completes a project to the satisfaction of the customer in accordance with contract terms. Such amounts are also included as contracts receivable including retainage, net. Based on the Company's experience with similar contracts in recent years, billings for such retainage balances are generally collected within one year of the completion of the project.

The carrying value of contracts receivable including retainage, net of the allowance for doubtful accounts, represents their estimated net realizable value. Management provides for uncollectible accounts through a charge to earnings and a credit to the allowance for doubtful accounts based on its assessment of the current status of individual accounts, type of service performed, and current economic conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and an adjustment of the contract receivable.

Costs and Estimated Earnings on Uncompleted Contracts

Billing practices for the Company's contracts are governed by the contract terms of each project based on progress toward completion approved by the owner, achievement of milestones or pre-agreed schedules. Billings do not necessarily correlate with revenues recognized under the percentage-of-completion method of accounting. The Company records current assets and current liabilities to account for these differences in timing.

The current asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues that have been recognized in amounts which have not been billed under the terms of the contracts. Included in costs and estimated earnings in excess of billings on uncompleted contracts are amounts the Company seeks or will seek to collect from customers or others for errors, changes in contract specifications or design, contract change orders in dispute, unapproved as to scope and price, or other customer related causes of unanticipated additional contract costs (claims and unapproved change orders). Such amounts are recorded at estimated net realizable value when realization is probable and can be reasonably estimated. Claims and unapproved change orders made by the Company may involve negotiation and, in rare cases, litigation. Unapproved change orders and claims also involve the use of estimates, and revenues associated with unapproved change orders and claims are included when realization is probable and amounts can be reliably determined. The Company did not recognize any material amounts associated with claims and unapproved change orders during the periods presented.

The current liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings to customers in excess of revenues recognized.

Concentration of Risks

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of contracts receivable including retainage. In the normal course of business, the Company provides credit to its customers and does not generally require collateral. Concentrations of credit risk associated with these receivables are monitored on an ongoing basis. The Company has not historically experienced significant credit losses due primarily to management's assessment of customers' credit ratings. The Company principally deals with recurring customers, state and local governments and well-known local companies whose reputations are known to the Company. Credit checks are performed for significant new customers. Progress payments are generally required for significant projects. The Company generally has the ability to file liens against the property if payments are not made on a timely basis. No customer accounted for more than 10% of the Company's contracts receivable including retainage, net balance at September 30, 2017 or December 31, 2017.

Projects performed for various Departments of Transportation accounted for 36.8% and 37.3% of consolidated revenues for the three months ended December 31, 2016 and December 31, 2017, respectively. Two customers accounted for more than 10% of consolidated revenues for the three months ended December 31, 2016 and December 31, 2017, as follows:

	% of Consolidated Revenues for the Three Months Ended December 31,	
	2016	2017
Alabama Department of Transportation	13.7%	13.2%
North Carolina Department of Transportation	11.0%	13.2%

Revenues and Cost Recognition

Revenues from the Company's contracts are recognized on the percentage-of-completion method, measured by the relationship of total cost incurred to total estimated contract costs (cost-to-cost method). Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in favorable or unfavorable revisions to estimated costs, revenues and gross profit, and are recognized in the period in which the revisions are determined.

The accuracy of revenues and cost of revenues reported on the consolidated financial statements depends on, among other things, management's estimates of total costs to complete projects. The Company maintains reasonable estimates based on management's experience; however, many factors contribute to changes in estimates of contract costs. Accordingly, estimates made with respect to uncompleted projects are subject to change as each project progresses and better estimates of contract costs become available. All contract costs are recorded as incurred and revisions to estimated total costs are reflected as soon as the obligation to perform is determined. Provisions are recognized for the full amount of estimated losses on uncompleted contracts whenever evidence indicates that the estimated total cost of a contract exceeds its estimated total revenue, regardless of the stage of completion. When the Company incurs additional costs related to work performed by subcontractors, the Company may have contractual provisions to back charge the subcontractors for those costs. A reduction to costs related to back charges is recognized when the estimated recovery is probable and the amount can be reasonably estimated.

Contract costs include direct labor and material, subcontractors, direct overhead costs and equipment costs (primarily depreciation, fuel, maintenance and repairs).

Income Taxes

The provision for income taxes includes federal and state income taxes. Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying values and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Management evaluates the realization of deferred tax assets and establishes a valuation allowance when it is more likely than not that all or a portion of the deferred tax assets will not be realized. Deferred tax assets and deferred tax liabilities are presented net by taxing authority and classified as non-current on the Company's Consolidated Balance Sheet.

The Company's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Equity Issuance Costs

The Company capitalizes certain third-party fees that are directly associated with in-process equity offerings. At December 31, 2017, $2.9 million of capitalized equity issuance costs are recorded as prepaid expenses, included in other current assets on the Consolidated Balance Sheet.

Note 3—Contracts Receivable including Retainage, net

Contracts receivable including retainage, net are comprised of the following at September 30, 2017 and December 31, 2017 (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Contracts receivable	$109,538	$81,974
Retainage	13,180	13,700
	122,718	95,674
Allowance for doubtful accounts	(1,734)	(1,185)
Contracts receivable including retainage, net	$120,984	$94,489

Retainage receivables have been billed, but are not due until contract completion and acceptance by the customer.

Note 4—Costs and Estimated Earnings on Uncompleted Contracts

Costs and estimated earnings compared to billings on uncompleted contracts at September 30, 2017 and December 31, 2017 consist of the following (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Costs on uncompleted contracts	$ 489,661	$ 540,038
Estimated earnings to date on uncompleted contracts	62,193	68,742
	551,854	608,780
Billings to date on uncompleted contracts	(579,370)	(638,370)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$ (27,516)	$ (29,590)

Reconciliation of net billings in excess of costs and estimated earnings to amounts reflected on the Company's Consolidated Balance Sheet at September 31, 2017 and December 31, 2017 is follows (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 4,592	$ 6,996
Billings in excess of costs and estimated earnings on uncompleted contracts	(32,108)	(36,586)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$(27,516)	$(29,590)

Note 5—Debt

The Company maintains various credit facilities from time to time to finance acquisitions, the purchase of real estate, construction equipment, asphalt plants and other fixed assets, and for general working capital purposes. Debt at September 30, 2017 and December 31, 2017 consisted of the following (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Long-term debt:		
Compass Term Loan	$ 47,500	$ 45,000
Compass Revolving Credit Facility	10,000	5,000
Total long-term debt	57,500	50,000
Deferred debt issuance costs	(364)	(345)
Current maturities of long-term debt	(10,000)	(10,000)
Long-term debt, net of current maturities	$ 47,136	$ 39,655
Current maturities of debt:		
Current maturities of long-term debt	10,000	10,000
Total current maturities of debt	$ 10,000	$ 10,000

Note 6—Equity

On December 21, 2016, the Company's Board of Directors declared a special dividend to common shareholders of record as of the close of business on December 15, 2016 in the amount of $31.3 million ($0.754 per share). The dividend was paid from cash on hand on January 10, 2017. Management does not expect the Company to declare stock dividends in the foreseeable future; however, the Company's future dividend policy will depend upon earnings, financial condition, capital requirements and certain other factors, including terms of credit agreements that restrict the Company's ability to declare or pay dividends.

Note 7—Earnings per Share

There is no difference between basic and diluted earnings per share for the three months ended December 31, 2016 or December 31, 2017. The Company had 958,034 and 768,984 common stock equivalents which were excluded from the calculation of diluted earnings per share for the three months ended December 31, 2016 and December 31, 2017, respectively, since their inclusion would be anti-dilutive.

Note 8—Provision (benefit) for Income Taxes

The Company recorded income tax expense of $2.8 million during the three months ended December 31, 2016 and an income tax benefit of $0.8 million during the three months ended December 31, 2017.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation known as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act includes broad and complex changes to the U.S. tax code, including a reduction in the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. For the year ended September 30, 2018, the Company will record its income tax provision based on a blended U.S. statutory tax rate of 24.5%, which is based on a proration of the applicable tax rates before and after the effective date of the Tax

Act, and the effect of applicable state income taxes. The statutory rate of 21% will apply for fiscal years beginning after September 30, 2018.

During the three months ended December 31, 2017, the Company recorded a provisional discrete tax benefit of $3.5 million related to the Tax Act, primarily due to adjusting its U.S. deferred tax liabilities by the same amount, reflecting the reduction in the U.S. federal corporate tax rate. This net reduction in deferred tax liabilities also included the estimated impact on the Company's net state deferred tax assets.

The Company's effective tax rate for the three months ended December 31, 2016 and December 31, 2017 was 37.9% and (7.9%), respectively. The effective tax rate for the three months ended December 31, 2017 is lower than the comparable prior year period primarily due to the benefit of a tax credit recorded during the three months ended December 31, 2017 related to the enactment of the Tax Act, and the change in the federal corporate tax rate from 35% to 21%.

For various reasons, the Company has not completed its accounting for the income tax effects of certain elements of the Tax Act. In regards to the reduction in the U.S. corporate tax rate, the Company is continuing to analyze the temporary differences that existed on the date of the enactment and the temporary differences originating in the current fiscal year. The Company expects to complete its analysis of the accounting guidance related to the Tax Act and its evaluation of the impacts of the Tax Act by September 30, 2018.

Note 9—Related Parties

On December 31, 2017, the Company sold a wholly-owned subsidiary to an immediate family member of a Senior Vice President of the Company in consideration for a note receivable in the amount of $1.0 million, which approximated net book value of the disposed entity. In connection with this transaction, the Company also received a note receivable on December 31, 2017 in the amount of $0.9 million representing certain accounts payable of the disposed subsidiary that were paid by the Company. Principal and interest payments are scheduled to be made in periodic installments from January 2018 through December 2023.

On January 30, 2015, the Company entered into a master services subcontract with Austin Trucking, LLC ("Austin Trucking"), an entity owned by an immediate family member of a Senior Vice President of the Company. Pursuant to the agreement, Austin Trucking performs subcontract work for the Company, including trucking services. For these subcontract services, the Company incurred costs of approximately $2.9 million during each of the three months ended December 31, 2016 and December 31, 2017, which is included as cost of revenues on the Consolidated Statements of Income. At September 30, 2017 and December 31, 2017, the Company had $1.0 million and $0.4 million, respectively, due to Austin Trucking reflected as accounts payable on its Consolidated Balance Sheets.

From time to time, the Company provides construction services to various companies owned by a family member of a Senior Vice President of the Company. For these services the Company earned approximately $1.1 million and $1.3 million during the three months ended December 31, 2016 and December 31, 2017, respectively, which is included as revenues on the Consolidated Statements of Income. At September 30, 2017 and December 31, 2017, the Company had $5.3 million and $6.3 million, respectively, due from these companies reflected as contracts receivable including retainage, net on its Consolidated Balance Sheets.

The Company is party to a management services agreement with SunTx under which the Company pays $0.25 million per fiscal quarter, as well as reimbursement of certain travel expenses. During each of the three months ended December 31, 2016 and December 31, 2017, the Company incurred and paid a total of $0.3 million

to SunTx related to such fees and expense reimbursements and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

In the normal course of business, the Company maintains relationships and engages in transactions with other related parties. Transaction amounts during the three months ended December 31, 2016 and December 31, 2017 are not material to the Consolidated Statements of Income or to cash flows for those periods. Amounts due to or from such related parties are not material to the Company's Consolidated Balance Sheet at December 31, 2017. The nature of these relationships and transactions are described in Note 16 to the Company's audited consolidated financial statements for the year ended September 30, 2017.

Note 10—Subsequent Events

(a) In connection with the Company's contemplated initial public offering ("Offering"), its Board of Directors approved an amendment to the Company's certificate of incorporation to effect a 25.2 to 1 split of its common stock immediately preceding the closing of the Offering (the "Stock Split"). All share and per share amounts have been retroactively adjusted for all periods presented to give effect to this stock split.

(b) On April 19, 2018, certain of the Company's subsidiaries entered into settlement agreements with a third party, pursuant to which they will receive aggregate net payments of approximately $15.7 million, payable in four equal installments between January 2019 and July 2020, in exchange for releasing and waiving all current and future claims against the third party relating to a specific event. The Company expects to record a pre-tax gain of approximately $14.8 million in the quarter ended March 31, 2018, related to this settlement.

(c) The Company has evaluated subsequent events from the December 31, 2017 balance sheet date through February 21, 2018, the date at which the consolidated financial statements were available to be issued, and determined that there were no other material items to disclose.

Class A Common Stock

11,250,000 Shares

Construction Partners, Inc.

PROSPECTUS

Baird Raymond James Stephens Inc.

Imperial Capital

D.A. Davidson & Co.

Through and including , 2018 (the 25th day after the hereof), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

, 2018

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The following table sets forth the fees and expenses in connection with the issuance and distribution of Class A common stock being registered hereunder (other than underwriting discounts and commissions). Except for the SEC registration fee and FINRA filing fee, all amounts are estimates.

SEC registration fee	$ 27,382.22
FINRA filing fee	31,550.00
Stock exchange listing fee	150,000.00
Accounting fees and expenses	2,557,565.00
Legal fees and expenses	2,500,000.00
Printing and engraving expenses	400,000
Transfer Agent and Registrar fees and expenses	12,000.00
Miscellaneous expenses	72,681
Total	$5,751,178.22

Item 14. ***Indemnification of Directors and Officers.***

Limitation of Liability

Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") permits a corporation, in its certificate of incorporation, to limit or eliminate, subject to certain statutory limitations, the liability of directors to the corporation or its stockholders for monetary damages for breaches of fiduciary duty, except for liability:

- for any breach of the director's duty of loyalty to the corporation or its stockholders;
- for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- in respect of certain unlawful dividend payments or stock redemptions or repurchases; and
- for any transaction from which the director derives an improper personal benefit.

In accordance with Section 102(b)(7) of the DGCL, the amended and restated certificate of incorporation (the "Certificate") of Construction Partners, Inc. (the "Registrant") will provide that no director shall be personally liable to the Registrant or any of its stockholders for monetary damages resulting from breaches of their fiduciary duty as directors, except to the extent such limitation on or exemption from liability is not permitted under the DGCL or any other law of the State of Delaware. The effect of this provision is to eliminate the rights of the Registrant and its stockholders (through stockholders' derivative suits on the Registrant's behalf) to recover monetary damages against a director for breach of the fiduciary duty of care as a director, including breaches resulting from negligent or grossly negligent behavior, except as restricted by Section 102(b)(7) of the DGCL. However, this provision will not limit or eliminate the rights of the Registrant or its stockholders to seek non-monetary relief, such as an injunction or rescission, in the event of a breach of a director's duty of care.

If the DGCL or any other law of the State of Delaware is amended to authorize corporate action further eliminating or limiting the liability of directors, then, in accordance with the Certificate, the liability of the Registrant's directors to the Registrant or its stockholders will be eliminated or limited to the fullest extent authorized by the DGCL or any

other law of the State of Delaware, as so amended. Any repeal or amendment of provisions of the Certificate limiting or eliminating the liability of directors, whether by the Registrant's stockholders or by changes in law, or the adoption of any other provisions inconsistent therewith, will (unless otherwise required by law) be prospective only, except to the extent such amendment or change in law permits the Registrant to further limit or eliminate the liability of directors on a retroactive basis.

Indemnification

Section 145 of the DGCL permits a corporation, under specified circumstances, to indemnify its directors, officers, employees or agents against expenses (including attorneys' fees), judgments, fines and amounts paid in settlements actually and reasonably incurred by them in connection with any action, suit or proceeding by reason of the fact that they were or are directors, officers, employees or agents of the corporation, if such directors, officers, employees or agents acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reason to believe their conduct was unlawful. In a derivative action or suit (i.e., one by or in the right of the corporation), indemnification may be made only for expenses actually and reasonably incurred by directors, officers, employees or agents in connection with the defense or settlement of an action or suit, and only with respect to a matter as to which they shall have acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made if such person shall have been adjudged liable to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine upon application that the defendant directors, officers, employees or agents are fairly and reasonably entitled to indemnity for such expenses despite such adjudication of liability.

The Certificate will provide that the Registrant will, to the fullest extent authorized or permitted by applicable law, indemnify its current and former directors and officers, as well as those persons who, while directors or officers of the Registrant, are or were serving as directors, officers, employees or agents of another entity, trust or other enterprise, including service with respect to an employee benefit plan, in connection with any threatened, pending or completed proceeding, whether civil, criminal, administrative or investigative, against all expenses, liability and loss (including, without limitation, attorney's fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by any such person in connection with any such proceeding. Notwithstanding the foregoing, a person eligible for indemnification pursuant to the Certificate will be indemnified by the Registrant in connection with a proceeding initiated by such person only if such proceeding was authorized by the Registrant's board of directors, except for proceedings to enforce rights to indemnification.

The right to indemnification to be conferred by the Certificate is a contractual right that includes the right to be paid by the Registrant the expenses incurred in defending or otherwise participating in any proceeding referenced above in advance of its final disposition, provided, however, that if the DGCL requires, an advancement of expenses will be made only upon delivery to us of an undertaking, by or on behalf of any person covered by the Certificate, to repay all amounts so advanced if it is ultimately determined that such person is not entitled to be indemnified for such expenses under the Certificate or otherwise.

The rights to indemnification and advancement of expenses will not be deemed exclusive of any other rights which any person covered by the Certificate may have or hereafter acquire under law, the Certificate, the amended and restated bylaws of the Registrant (the "Bylaws"), an agreement, vote of stockholders or disinterested directors, or otherwise.

Any repeal or amendment of provisions of the Certificate affecting indemnification rights, whether by the Registrant's stockholders or by changes in law, or the adoption of any other provisions inconsistent therewith, will (to the extent permitted by applicable law) be prospective only, except to the extent such amendment or change in

law permits the Registrant to provide broader indemnification rights on a retroactive basis, and will not in any way diminish or adversely affect any right or protection existing at the time of such repeal or amendment or adoption of such inconsistent provision with respect to any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision. The Certificate will also permit the Registrant, to the extent and in the manner authorized or permitted by law, to indemnify and to advance expenses to persons other than those specifically covered by the Certificate.

The Bylaws will include provisions relating to advancement of expenses and indemnification rights consistent with those set forth in the Certificate. In addition, the Bylaws will provide for a right of indemnitee to bring a suit in the event a claim for indemnification or advancement of expenses is not paid in full by the Registrant within a specified period of time. The Bylaws will also permit the Registrant to purchase and maintain insurance, at its expense, to protect the Registrant and/or any of its directors, officers, employees or agents, or another entity, trust or other enterprise, against any expense, liability or loss, whether or not the Registrant would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Any repeal or amendment of provisions of the Bylaws affecting indemnification rights, whether by the Registrant's board of directors, stockholders or by changes in applicable law, or the adoption of any other provisions inconsistent therewith, will (unless otherwise required by law) be prospective only, except to the extent such amendment or change in law permits the Registrant to provide broader indemnification rights on a retroactive basis, and will not in any way diminish or adversely affect any right or protection existing thereunder with respect to any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

The Registrant will enter into indemnification agreements with each of its current directors and executive officers. These agreements will require the Registrant to indemnify these individuals to the fullest extent permitted under Delaware law against liabilities that may arise by reason of their service to the Registrant, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. The Registrant also intend to enter into indemnification agreements with its future directors and executive officers.

Under the Underwriting Agreement, the underwriters will be obligated, under certain circumstances, to indemnify directors and officers of the Registrant against certain liabilities, including liabilities under the Securities Act. Reference is made to the form of Underwriting Agreement to be filed as Exhibit 1.1 to this Registration Statement.

Item 15. ***Recent Sales of Unregistered Securities.***

Within the past three years, the Registrant has granted or issued the following securities of the Registrant which were not registered under the Securities Act of 1933, as amended. The following information regarding recent sales of unregistered securities gives effect to the Reclassification.

On August, 22, 2016, we granted to certain of our officers and employees options to purchase an aggregate of 252,000 shares of our Class B common stock under the 2016 Plan, at an exercise price of $3.37 per share. From August 22, 2016 through September 28, 2017, we issued and sold an aggregate of 252,000 shares of our Class B common stock upon the exercise of these options under the 2016 Plan at an exercise price of $3.37 per share, for an aggregate exercise price of $850,000. On March 7, 2017, we granted to an officer a non-plan option to purchase 74,592 shares of our Class B common stock at an exercise price of $0.04 per share, which is only exercisable in the event of a change of control. On February 23, 2018, we granted certain officers and employees an aggregate of 126,000 restricted shares of our Class B common stock under the 2016 Plan, a portion of which vested on the date of grant and a portion of which will vest on July 1, 2018. Each of these issuances was made in reliance on Section 4(a)(2) and Rule 701 under the Securities Act. The issuances were made for compensatory purposes pursuant to a written plan or contract, a copy of the plan or contract was delivered to each purchaser,

the number of shares sold in any 12 month period did not exceed 15% of the number of outstanding shares as of the most recent fiscal year end and the amount sold in any 12 month period did not exceed $5,000,000.

Item 16. ***Exhibits and Financial Statement Schedules.***

(A) *Exhibits*. See the Exhibit Index immediately preceding the signature page hereto, which is incorporated by reference as if fully set forth herein.

(B) *Financial Statement Schedules*.

All schedules are omitted because the required information is (i) not applicable, (ii) not present in amounts sufficient to require submission of the schedule and/or (iii) included in the financial statements and accompanying notes thereto included in the prospectus filed as part of this Registration Statement.

Item 17. ***Undertakings.***

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification by the Registrant for liabilities arising under the Securities Act may be permitted to directors and officers of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director or officer of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director or officer in connection with the securities being registered hereunder, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

Exhibit Number	Description
1.1	Form of Underwriting Agreement.
3.1*	Certificate of Incorporation of Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as amended and as currently in effect.
3.2	Form of Amended and Restated Certificate of Incorporation of Construction Partners, Inc., to be in effect prior to the pricing of this offering.
3.3*	Bylaws of Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as currently in effect.
3.4	Form of Amended and Restated Bylaws of Construction Partners, Inc., to be in effect prior to the pricing of this offering.
4.1	Form of Class A Common Stock Certificate.
4.2*	Registration Rights Agreement, dated June 8, 2007, by and among Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) and certain security holders party thereto.
5.1**	Opinion of Pepper Hamilton LLP as to the legality of the securities being registered.
10.1†	Form of Indemnification Agreement, by and between Construction Partners, Inc. and each of its directors and executive officers.
10.2*	Credit Agreement, dated June 30, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated and Everett Dykes Grassing Co., Inc., as Borrowers, the financial institutions party thereto from time to time, and Compass Bank, as Agent, Sole Lead Arranger and Sole Bookrunner.
10.3*	Amendment to Credit Agreement, dated June 30, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated, and Everett Dykes Grassing Co., Inc., as Borrowers, Compass Bank, as Agent for Lenders and as a Lender and Issuing Bank, and ServisFirst Bank, as a Lender.
10.4*	Loan Modification Agreement and Amendment to Loan Documents, dated November 14, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated, and Everett Dykes Grassing Co., Inc., as Borrowers, Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as Guarantor, Compass Bank, as Agent for Lenders and as a Lender and Issuing Bank, and ServisFirst Bank, as a Lender.
10.5*	Loan Modification Agreement and Amendment to Loan Documents, dated December 31, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated, and Everett Dykes Grassing Co., Inc., as Borrowers, Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as Guarantor, Compass Bank, as Agent for Lenders and as a Lender and Issuing Bank, and ServisFirst Bank, as a Lender.
10.6†*	Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) 2016 Equity Incentive Plan and forms of Option Agreement, Option Grant Notice, Restricted Stock Award Agreement and Restricted Stock Award Grant Notice thereunder.
10.7†	Form of Construction Partners, Inc. 2018 Equity Incentive Plan.
10.8†*	Form of Stock Option Award under the Construction Partners, Inc. 2018 Equity Incentive Plan.

Exhibit Number	Description
10.9†*	Form of Restricted Stock Award under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.10†*	Form of Restricted Stock Unit Award under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.11†*	Form of Stock Appreciation Rights Award to be settled in shares of Common Stock under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.12†*	Form of Stock Appreciation Rights Award to be settled in cash under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.13*	Management Services Agreement, dated October 1, 2006, by and between Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.) and SunTx Capital Management Corp.
10.14*	Amendment to Management Services Agreement, dated October 1, 2013, by and between Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.) and SunTx Capital Management Corp.
10.15†*	Employment and Non-Compete Agreement, effective as of July 1, 2014, by and between FSC II, LLC and F. Julius Smith III.
10.16†*	Form of Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) Non-plan Stock Option Award Agreement.
10.17†*	Form of Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) First Amendment to Non-plan Stock Option Award Agreement.
10.18†*	Option Agreement, dated March 7, 2017, between Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) and F. Julius Smith, III.
16.1*	Letter of PBMares, LLP.
21.1*	List of Significant Subsidiaries of Construction Partners, Inc.
23.1	Consent of RSM US LLP.
23.2**	Consent of Pepper Hamilton LLP (included in Exhibit 5.1).
24.1*	Power of Attorney (included on signature page).

† Management contract, compensatory plan or arrangement.
* Previously filed.
** To be filed by amendment.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Dothan, Alabama, on April 23, 2018.

CONSTRUCTION PARTNERS, INC.

By: /s/ Charles E. Owens
Charles E. Owens
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Charles E. Owens Charles E. Owens	President and Chief Executive Officer (Principal Executive Officer) and Director	April 23, 2018
/s/ R. Alan Palmer R. Alan Palmer	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	April 23, 2018
* Ned N. Fleming, III	Executive Chairman of the Board and Director	April 23, 2018
* Craig Jennings	Director	April 23, 2018
* Mark R. Matteson	Director	April 23, 2018
* Michael H. McKay	Director	April 23, 2018
* Stefan F. Shaffer	Director	April 23, 2018

By: /s/ Charles E. Owens
Charles E. Owens
Attorney-in-Fact

Exhibit 1.1

[●] Shares

CONSTRUCTION PARTNERS, INC.

CLASS A COMMON STOCK, PAR VALUE $0.001 PER SHARE

UNDERWRITING AGREEMENT

[●], 2018

[●], 2018

ROBERT W. BAIRD & CO. INCORPORATED
RAYMOND JAMES & ASSOCIATES, INC.
STEPHENS INC.
As Representatives of the Several Underwriters
Identified in Schedule I Hereto

c/o Robert W. Baird & Co. Incorporated
777 East Wisconsin Avenue Milwaukee, Wisconsin 53202
Ladies and Gentlemen:

Construction Partners, Inc., a Delaware corporation (the "**Company**"), proposes to issue and sell to the several underwriters named in Schedule I hereto (the "**Underwriters**"), for whom Robert W. Baird & Co. Incorporated, Raymond James & Associates, Inc. and Stephens Inc. (the "**Representatives**") are acting as representatives, and certain stockholders of the Company named in Schedule II hereto (the "**Selling Stockholders**") severally propose to sell to the Underwriters, subject to the terms and conditions set forth herein, an aggregate of [●] shares (the "**Firm Shares**") of the Company's Class A common stock, par value $0.001 per share (the "**Common Stock**"), of which [●] shares are to be issued and sold by the Company and [●] shares are to be sold by the Selling Stockholders, with each Selling Stockholder selling the number of Firm Shares set forth opposite such Selling Stockholder's name in Schedule II hereto.

The Selling Stockholders also propose to sell to the Underwriters, subject to the terms and conditions set forth herein, up to an aggregate of [●] additional shares of Common Stock (the "**Additional Shares**"), with each Selling Stockholder selling up to the number of Additional Shares set forth opposite such Selling Stockholder's name in Schedule II hereto, if and to the extent that the Representatives shall have determined to exercise, on behalf of the Underwriters, the right to purchase such Additional Shares granted to the Underwriters in Section 3 hereof. The Firm Shares and the Additional Shares are collectively referred to herein as the "**Shares**."

Robert W. Baird & Co. Incorporated (the "**Directed Share Underwriter**") agrees that up to [●] shares of the Firm Shares to be purchased by it (the "**Directed Shares**") shall be reserved for sale to certain eligible directors, officers and employees of the Company and to other parties related to the Company (collectively, the "**Participants**") as set forth in the Prospectus (as defined below) under the caption "Underwriting" (the "**Directed Share Program**"), subject to the terms and conditions set forth herein, the applicable rules, regulations and interpretations of the Financial Industry Regulatory Authority, Inc. ("**FINRA**") and all other applicable laws, rules and regulations. To the extent that any Directed Shares are not orally confirmed for purchase by the Participants by the end of the first business day after the date hereof, such Directed Shares may be offered to the public by the Directed Share Underwriter as part of the public offering contemplated hereby.

In accordance with the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Securities Act**"), the Company has prepared and filed with the Securities and Exchange Commission (the "**Commission**") a registration statement on

Form S-1 (Registration No. 333-224174), including a prospectus, relating to the public offering and sale of the Shares (the "**Offering**"). The registration statement, as amended at the time it became effective, including the exhibits and documents filed as part thereof and the information contained in the prospectus filed as part thereof pursuant to Rule 424 under the Securities Act or otherwise deemed to be part thereof pursuant to Rule 430A, 430B or 430C under the Securities Act (the "**Rule 430 Information**"), is referred to herein as the "**Registration Statement.**" If the Company files an abbreviated registration statement to register additional shares of Common Stock pursuant to Rule 462(b) under the Securities Act (a "**Rule 462 Registration Statement**"), then any reference herein to the Registration Statement shall be deemed to include such Rule 462 Registration Statement. The Company has also filed with, or transmitted for filing to, or shall promptly after the date hereof file with or transmit for filing to, the Commission pursuant to Rule 424(b) under the Securities Act a final prospectus (in the form first used to confirm sales of the Shares or in the form first made available to the Underwriters by the Company to meet requests of purchasers pursuant to Rule 173 under the Securities Act) that meets the requirements of Section 10(a) of the Securities Act (the "**Prospectus**"). The term "**Preliminary Prospectus**," at any specified time, means any preliminary prospectus included in the Registration Statement (and any amendments thereto) prior to its effectiveness, filed with the Commission pursuant to Rule 424(a) under the Securities Act, and the prospectus included in the Registration Statement at the time of its effectiveness that omits the Rule 430 Information. The term Preliminary Prospectus without reference to a specified time means the Preliminary Prospectus included in the Registration Statement or deemed a part thereof pursuant to Rule 430A under the Securities Act immediately prior to the Time of Sale (as defined below). The Prospectus shall be deemed to include the "electronic Prospectus" provided for use in connection with the Shares as contemplated by Section 6(b) hereof.

For purposes of this Underwriting Agreement (this "**Agreement**"): "**free writing prospectus**" has the meaning set forth in Rule 405 under the Securities Act; "**Issuer free writing prospectus**" has the meaning set forth in Rule 433 under the Securities Act; "**Permitted Free Writing Prospectus**" means each free writing prospectus, if any, identified in Schedule III hereto; "**Time of Sale Prospectus**" means the Preliminary Prospectus, together with each Permitted Free Writing Prospectus, if any, and the other information conveyed to purchasers of the Shares at or prior to the Time of Sale, if any, as identified in Schedule III hereto; "**Time of Sale**" means [●] p.m., Central Time, on the date hereof; "**road show**" has the meaning set forth in Rule 433(h)(4) under the Securities Act; "**bona fide electronic road show**" has the meaning set forth in Rule 433(h)(5) under the Securities Act; "**Testing-the-Waters Communication**" means any oral or written communication by the Company, or any person authorized to act on behalf of the Company, with potential investors undertaken in reliance on Section 5(d) of the Securities Act; "**Written Testing-the-Waters Communication**" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act; and "**Permitted Testing-the-Waters Communication**" means any Written Testing-the-Waters Communication specifically authorized and approved by the Company to be made by the Representatives.

1. *Representations and Warranties of the Company.* The Company represents and warrants to and agrees with each of the Underwriters on the date hereof, at the Time of Sale, at the Closing Date (as defined in Section 4 hereof) and at each Option Closing Date (as defined in Section 3 hereof), if any, that:

(a) The Registration Statement has become effective under the Securities Act. No stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Preliminary Prospectus or the Prospectus is in effect, and no proceedings for such purpose are pending before or, to the Company's knowledge, threatened by the Commission.

(b) The Preliminary Prospectus filed as part of the Registration Statement or pursuant to Rule 424 under the Securities Act, when so filed, complied in all material respects with the Securities Act (including, without limitation, Rules 424, 430A and 430C thereunder, as applicable).

(c) (i) The Registration Statement, when it became effective and at the time of the execution hereof, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (ii) the Registration Statement complies and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act; (iii) at no time during the period that begins on the date of the Preliminary Prospectus and ends immediately prior to the execution hereof did the Preliminary Prospectus contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (iv) the Preliminary Prospectus furnished to the Underwriters for delivery to prospective investors complied in all material respects with the Securities Act (including, without limitation, the requirements of Section 10 thereof); (v) the Time of Sale Prospectus does not, and at the Time of Sale, at the Closing Date and at each Option Closing Date, if any, the Time of Sale Prospectus, as then amended or supplemented, if applicable, will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (vi) no Permitted Free Writing Prospectus conflicts with the information contained in the Registration Statement, the Preliminary Prospectus, the Time of Sale Prospectus or the Prospectus and was accompanied or preceded by the then-most recent Preliminary Prospectus, to the extent required by Rule 433 under the Securities Act; (vii) each road show, when considered together with the Time of Sale Prospectus, does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (viii) each Written Testing-the-Waters Communication, if any, when considered together with the Time of Sale Prospectus, does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (ix) the Prospectus, at the date it is filed with the Commission pursuant to Rule 424(b) under the Securities Act, at the Closing Date and at each Option Closing Date, if any, will comply in all material respects with the Securities Act (including, without limitation, Section 10(a) thereof) and the rules and regulations thereunder and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that the representations and warranties set forth in thisSection 1(c) do not apply to statements or omissions in the Registration Statement, the Time of Sale Prospectus, the Preliminary Prospectus, any Permitted Free Writing Prospectus, any road show, any Written Testing-the-Waters Communication or the Prospectus, or any amendments or supplements (including prospectus wrappers) to any of the foregoing, based upon information relating to or furnished by any Underwriter that is furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being agreed that the only such information furnished by the Underwriters through the Representatives to the Company expressly for use therein are the statements contained in the fourth, eighth and thirteenth through

sixteenth paragraphs and the first sentence of the seventeenth paragraph under the caption "Underwriting" in the Time of Sale Prospectus and the Prospectus (collectively, the "**Underwriter Information**").

(d) Prior to the execution hereof, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Securities Act) or used any prospectus in connection with the offer or sale of the Shares, in each case other than the then most recent Preliminary Prospectus, the Permitted Free Writing Prospectuses and/or any Permitted Testing-the-Waters Communication. The Company has not, directly or indirectly, prepared, made, used, authorized, approved or referred to, and will not prepare, make, use, authorize, approve or refer to, any free writing prospectuses without the prior written consent of the Representatives, other than the Permitted Free Writing Prospectuses, any Permitted Testing-the-Waters Communication and any road shows furnished or presented to the Representatives before first use. Each Permitted Free Writing Prospectus has been prepared, used or referred to in compliance with Rules 164 and 433 under the Securities Act. Assuming that each Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Securities Act, filed with the Commission), the sending or giving, by any Underwriter, of any Permitted Free Writing Prospectus will satisfy the provisions of Rules 164 and 433 under the Securities Act. The conditions set forth in Rule 433(b)(2) under the Securities Act are satisfied, and the Registration Statement relating to the Offering, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or 431 under the Securities Act, satisfies the requirements of Section 10 of the Securities Act, including a price range where required. Neither the Company nor any Underwriter is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Securities Act, from using, in connection with the Offering, free writing prospectuses pursuant to Rules 164 and 433 under the Securities Act. Each Permitted Free Writing Prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or that was prepared by or on behalf of or used or referred to by the Company, complies or will comply in all material respects with the requirements of the Securities Act. In the case of any bona fide electronic road shows by the Company, the Company has complied with the requirements of Rule 433(d)(8)(ii) under the Securities Act.

(e) The Company was not an "ineligible issuer" (as defined in Rule 405 under the Securities Act) at the eligibility determination date for purposes of Rules 164 and 433 under the Securities Act with respect to the Offering.

(f) From the time of the initial confidential submission of the Registration Statement (or, if earlier, the first date on which the Company engaged in any Testing-the-Waters Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "**Emerging Growth Company**").

(g) The Company has not (i) alone engaged in any Testing-the-Waters Communication or (ii) authorized anyone other than the Representatives to engage in any Testing-the-Waters Communication. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed any Written Testing-the-Waters Communication. At the Time of Sale, each Written Testing-the-Waters Communication, when considered together with the Time of Sale Prospectus, did not include an untrue statement of a material fact or omit to state a material fact required to be stated

therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. No Written Testing-the-Waters Communication, if any, as of the date hereof, conflicts with the information contained in the Registration Statement, the Preliminary Prospectus and the Prospectus. The Company has filed publicly on the Commission's EDGAR database at least 15 calendar days prior to any "road show" (as defined in Rule 433 under the Securities Act) any confidentially submitted registration statement and amendments thereto relating to the Offering.

(h) The Shares are approved for listing on The Nasdaq Stock Market LLC (the "**Exchange**"), subject only to official notice of issuance. To the Company's knowledge, there are no affiliations or associations between any member of FINRA, on the one hand, and the Company, any of its subsidiaries or any of its or their respective officers, directors or 5% or greater security holders, or any beneficial owner of its or their unregistered equity securities that were acquired at any time on or after the 180th day immediately preceding the date on which the Registration Statement was initially filed with the Commission, on the other hand, except as disclosed in the Registration Statement (excluding the exhibits thereto), the Time of Sale Prospectus and the Prospectus.

(i) The Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation, has the corporate power and authority to own its property and to conduct its business as described in the Time of Sale Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or to be in good standing would not (i) have a material adverse effect on the assets, business, condition (financial or otherwise), management, results of operations, earnings or prospects of the Company and its subsidiaries, taken as a whole, or (ii) prevent or materially interfere with consummation of the transactions contemplated hereby (the occurrence of any such effect, prevention or interference described in the foregoing clauses (i) and (ii), a "**Material Adverse Effect**").

(j) Each subsidiary of the Company has been duly organized, is validly existing as an entity in good standing under the laws of its jurisdiction of formation, has the power and authority to own its property and to conduct its business as described in the Time of Sale Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or to be in good standing would not reasonably be expected to have a Material Adverse Effect. All of the issued equity securities of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly by the Company, free and clear of all liens, encumbrances, security interests, equities or claims, except such that arise or may arise under the Company's revolving credit facility or as otherwise disclosed in the Registration Statement, Time of Sale Prospectus or Prospectus. Other than the subsidiaries of the Company listed in Exhibit 21 to the Registration Statement, the Company, directly or indirectly, owns no capital stock or other equity, ownership or proprietary interest in any corporation, partnership, association, trust or other entity.

(k) This Agreement has been duly authorized, executed and delivered by the Company.

(l) As of [December 31, 2017], the authorized, issued and outstanding capitalization of the Company was as set forth in the "Actual" column under the heading "Capitalization" in the Registration Statement, the Time of Sale Prospectus and the Prospectus and, after giving effect to the Reclassification (as described in the Registration Statement) and the other transactions described under the caption "Capitalization" in the Registration Statement, the Time of Sale Prospectus and the Prospectus, would have been as set forth under the "Pro Forma" and "Pro Forma As Adjusted" columns, as applicable, subject, in each case, to the issuance of shares of Common Stock [or shares of Class B common stock, par value $0.001 per share ("**Class B Common Stock**")], upon exercise of stock options disclosed as outstanding in the Registration Statement, the Time of Sale Prospectus and the Prospectus, as the case may be, and the grant of options under existing stock option plans or the Construction Partners, Inc. 2018 Equity Incentive Plan (the "**Restated Plan**"), which will be adopted prior to the completion of the Offering, each as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus. The authorized capital stock of the Company will, after giving effect to the Reclassification and the other transactions described under the caption "Capitalization" in the Registration Statement, the Time of Sale Prospectus and the Prospectus, conform as to legal matters to the description thereof contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus, and such description will, after giving effect to the Reclassification and the other transactions described under the caption "Capitalization" in the Registration Statement, the Time of Sale Prospectus and the Prospectus conform in all material respects to the rights set forth in the instruments defining the same. Except as disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus, (i) no shares of Common Stock are reserved for any purpose, (ii) there are no outstanding securities convertible into or exchangeable for shares of Common Stock, (iii) there are no outstanding options, rights (preemptive or otherwise) or warrants to purchase or to subscribe for shares of Common Stock or any other securities of the Company and (iv) the Company has not granted to any person or entity any stock option or other equity-based award of or to purchase shares of Common Stock or any other securities of the Company pursuant to an equity-based compensation plan or otherwise.

(m) The shares of the Company's common stock, par value $0.001 per share (the '**Pre-Reclassification Common Stock**"), outstanding as of the date hereof have been duly authorized, validly issued, fully paid and non-assessable, and have been issued in compliance with applicable securities laws and not issued in violation of any preemptive or similar rights.

(n) The Shares have been duly authorized for issuanace at Closing and, when issued (in the case of the Shares to be issued and sold by the Company) and delivered against payment therefor in accordance with the terms hereof, will be validly issued, fully paid and non-assessable, and the issuance of the Shares will not be subject to or in violation of any preemptive or similar rights. Upon payment of the purchase price and issuance (in the case of the Shares to be issued and sold by the Company) and delivery of the Shares in accordance herewith, the Underwriters will receive good, valid and marketable title to the Shares, free and clear of all liens, charges, security interests, encumbrances or claims. The certificates, if any, to be used to evidence the Shares will be in substantially the form filed as an exhibit to the Registration Statement and will, at the Closing Date and at each Option Closing Date, if any, be in proper form and comply in all material respects with all applicable legal requirements, the requirements of the Company's certificate of incorporation and bylaws and the requirements of the Exchange.

(o) Neither the execution and delivery by the Company of, nor the performance by the Company of its obligations under, this Agreement will conflict with, contravene, result in a breach

or violation of, or imposition of any lien, charge or encumbrance upon any assets of the Company or any of its subsidiaries pursuant to, or constitute a default or a Debt Repayment Triggering Event (as defined below) under: (i) any statute, law, rule, regulation, judgment, order or decree of any federal, state, local, municipal, foreign or other administrative, regulatory, governmental or quasigovernmental authority (each, a "**Governmental Authority**"); (ii) the articles or certificate of incorporation or bylaws (or charter and other organizational documents) of the Company or any of its subsidiaries; or (iii) any contract, agreement, obligation, covenant or instrument to which the Company, any of its subsidiaries or any of its or their respective assets is subject or bound, except, in the case of the foregoing clauses (i) and (iii), for any such conflict, contravention, breach, violation, imposition of any lien, charge or encumbrance or default that would not reasonably be expected to have a Material Adverse Effect. A "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice, lapse of time or both would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(p) No approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the Exchange), or approval of the Company's security holders, is required in connection with the issuance or sale of the Shares or the consummation of the transactions contemplated hereby, other than (i) such as have been, or prior to the Closing Date will be, obtained or made, including approvals, authorizations, consents, orders or filings that will be required in connection with the Reclassification, (ii) the registration of the Shares under the Securities Act, which has been effected (or, with respect to any Rule 462 Registration Statement, will be effected in accordance with Rule 462(b) under the Securities Act), (iii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Underwriters, (iv) such approvals as have been or, as of the Closing Date, will be obtained in connection with the listing of the Shares on the Exchange or (v) the approval by FINRA of the underwriting terms and arrangements.

(q) There are no actions, suits, claims, investigations, inquiries or proceedings (collectively, "**Actions**") pending or, to the Company's knowledge, threatened or contemplated to which the Company, any of its subsidiaries or any of its or their respective directors or officers is or would be a party or of which any of its or their respective properties is or would be subject at law or in equity, before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or before or by any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the Exchange), other than such Actions that are accurately described in the Registration Statement, the Time of Sale Prospectus and the Prospectus or such Actions that, if resolved adversely to the Company or any of its subsidiaries or any of its or their respective directors or officers, would not have, individually or in the aggregate, a Material Adverse Effect.

(r) The Company and its subsidiaries are not and, immediately after giving effect to the Offering and the application of the proceeds thereof as described under the caption "Use of Proceeds" in the Prospectus, will not be required to register as an "investment company" (as defined in the Investment Company Act of 1940, as amended).

(s) The Company's securities are not rated by any "nationally recognized statistical rating organization" (as defined in Rule 436(g)(2) under the Securities Act).

(t) RSM US LLP, who has certified certain financial statements and supporting schedules of the Company included in the Registration Statement, the Time of Sale Prospectus and the Prospectus, is an independent registered public accounting firm with respect to the Company within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board and as required by the Securities Act.

(u) The financial statements included in the Registration Statement, the Time of Sale Prospectus and the Prospectus, together with the related notes and schedules thereto, present fairly in all material respects the consolidated financial position of the Company and its subsidiaries at the dates indicated and the consolidated results of operations, cash flows and changes in stockholders' equity of the Company and its subsidiaries for the periods specified and have been prepared in compliance with the requirements of the Securities Act and the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Exchange Act**"), and in conformity with U.S. generally accepted accounting principles ("**GAAP**") applied on a consistent basis during the periods involved. All disclosures contained in the Time of Sale Prospectus and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply with Regulation G under the Exchange Act and Item 10 of Regulation S-K under the Securities Act, to the extent applicable.

(v) All statistical or market-related data included in the Registration Statement, the Time of Sale Prospectus and the Prospectus are based on or derived from sources that the Company reasonably believes to be reliable and accurate, and the Company has obtained the written consent to the use of such data from such sources to the extent required. Each "forward-looking statement" (within the meaning of Section 27A of the Securities Act or Section 21E of the Exchange Act) contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus has been made with a reasonable basis and in good faith.

(w) Except as disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus: (i)(A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances (as defined below), to the protection or restoration of the environment or natural resources, to human health and safety, including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, "**Environmental Laws**"), (B) neither the Company nor any of its subsidiaries is conducting or funding any investigation, remediation, remedial action or monitoring pursuant to Environmental Laws of actual or suspected Hazardous Substances in the environment, (C) to the Company's knowledge, neither the Company nor any of its subsidiaries is liable or allegedly liable pursuant to Environmental Laws for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site, (D) neither the Company nor any of its subsidiaries is subject to any pending, or to the Company's knowledge threatened, claim by any governmental agency or governmental body or person arising under Environmental Laws and (E) the Company and its subsidiaries have received and are in compliance with all permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct

their business, except in the case each of (A) through (E) above, for any such matter, as would not or could not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect; and (ii) to the knowledge of the Company and its subsidiaries, there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would or could reasonably be expected to result in a Material Adverse Effect. The term "**Hazardous Substances**" means (i) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials and polychlorinated biphenyls and (ii) any other chemical, material, waste or substance defined or regulated as toxic or hazardous or as a pollutant or contaminant under Environmental Laws.

(x) Except as disclosed in the Time of Sale Prospectus and the Prospectus or otherwise expressly waived, there are no contracts, agreements or understandings between the Company or any of its subsidiaries, on the one hand, and any person, on the other hand, granting such person the right to require the Company to (i) file a registration statement under the Securities Act with respect to any securities of the Company or (ii) include any securities of the Company with the Shares registered pursuant to the Registration Statement.

(y) In all material respects, the Registration Statement, the Time of Sale Prospectus and the Prospectus describes all contracts and documents which are required by the Securities Act to be described therein or filed as exhibits to the Registration Statement.

(z) Except as disclosed in the Time of Sale Prospectus and the Prospectus, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid and enforceable claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with the Offering.

(aa) Subsequent to the respective dates as of which information is given in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus: (i) there has not occurred any Material Adverse Effect or any development involving a prospective Material Adverse Effect; (ii) the Company and its subsidiaries have not incurred any material liability or obligation, direct or contingent, (iii) the Company has not entered into any material transaction; (iv) the Company and its subsidiaries have not sustained any material loss or material business interruption with its or their respective businesses from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree; (v) the Company has not purchased any of its outstanding capital stock, nor declared, paid or otherwise made any dividend or distribution of any kind on its capital stock other than ordinary and customary dividends; and (vi) there has not been any material change in the capital stock, short-term debt or long-term debt of the Company and its subsidiaries; except in each case as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, including as a result of or otherwise in connection with the Reclassification.

(bb) The Company and its subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them that is material to the business of the Company and its subsidiaries, in each case free and clear of any lien, charge, security interest, encumbrance or claim, in each case except as (i) described in the Time of Sale Prospectus and the Prospectus or (ii) does not materially interfere with the use made or proposed to be made of such property by the Company and its subsidiaries or as would not reasonably be

expected to result in, individually or in the aggregate, a Material Adverse Effect. Any real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as do not interfere with the use made or proposed to be made of such property and buildings by the Company and its subsidiaries, in each case as are described in the Time of Sale Prospectus and the Prospectus or as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(cc) Each of the Company and its subsidiaries owns or possesses all inventions, patent applications, patents, trademarks (both registered and unregistered), trade names and service names, described in the Registration Statement, the Time of Sale Prospectus and the Prospectus as being owned by it that is necessary for the conduct of its respective businesses (collectively, the "**Intellectual Property**"), except as described in the Time of Sale Prospectus and the Prospectus or as would not reasonably be expected to result in a Material Adverse Effect. To the Company's knowledge, no action, suit, proceeding or claim to the contrary or any challenge by any other person to the rights of the Company or any of its subsidiaries with respect to the Intellectual Property which would either render any Intellectual Property invalid or would reasonably be expected to result in a Material Adverse Effect, and no facts exist which could form a reasonable basis for any such action, suit, proceeding or claim. To the Company's knowledge, neither the Company nor any of its subsidiaries has infringed or is infringing the intellectual property of a third party except any such infringement that does not or could not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received notice of a claim by a third party to the contrary.

(dd) No strike, work stoppage, slowdown or other labor dispute with the employees of the Company or any of its subsidiaries exists or, to the Company's knowledge, is imminent, except as described in the Time of Sale Prospectus and the Prospectus or would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect. The Company is not aware of any existing or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors that has had or would reasonably be expected to have a Material Adverse Effect.

(ee) Neither the Company nor any of its subsidiaries is in violation of any provision of the Employee Retirement Income Security Act of 1974, as amended, or the rules and regulations promulgated thereunder (collectively, "**ERISA**"), except for such violations as would not reasonably be expected to have a Material Adverse Effect. Each "employee benefit plan" (as defined under ERISA) for which the Company, its subsidiaries or its or their respective ERISA Affiliates (as defined below) would have any liability (each, a "**Plan**") has been maintained in compliance with its terms and with the requirements of all applicable statutes, rules and regulations, including ERISA and the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (collectively, the "**Code**"), except for such non-compliance as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. "**ERISA Affiliate**" means, with respect to the Company or any of its subsidiaries, any member of any group of organizations described in Section 414(b), (c), (m) or (o) of the Code of which the Company or such subsidiary is a member. No Plan is, and none of the Company, its subsidiaries or any of its or their respective ERISA Affiliates has within the past six years sponsored, maintained, participated in, contributed to or had any obligation (contingent or otherwise) with respect to any (i) "multiemployer plan" (within the meaning of Section 3(37) of ERISA), (ii) pension plan subject to Title IV or Part 3 of Title I of ERISA or Section 412 of the Code, (iii) "multiple employer plan"

(within the meaning of Section 413(c) of the Code) or (D) multiple employer welfare arrangement (within the meaning of Section 3(40) of ERISA). None of the Company, its subsidiaries or any of its or their respective ERISA Affiliates has incurred or reasonably expects to incur any liability under Section 412, 4971, 4975 or 4980B of the Code. No prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) has occurred, excluding transactions effected pursuant to a statutory or administrative exemption. Each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter or opinion letter from the U.S. Internal Revenue Service as to its qualification, and nothing has occurred, whether by action or failure to act, which would reasonably be expected to cause the loss of such qualification, except where such loss of qualification as would not or could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There is no pending audit or investigation by the U.S. Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental agency or any foreign regulatory agency with respect to any Plan that could reasonably be expected to result in a Material Adverse Effect.

(ff) The Company and each of its subsidiaries are insured against such losses and risks and in such amounts as are customary in the businesses in which they are engaged. Neither the Company nor any of its subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

(gg) The Company and its subsidiaries possess, and are operating in material compliance with, all certificates, approvals, clearances, registrations, exemptions, licenses, authorizations and permits (each, a "**Permit**") of the appropriate Governmental Authorities necessary to conduct their respective businesses, and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to have a Material Adverse Effect.

(hh) Except as described in the Time of Sale Prospectus and the Prospectus, no subsidiary of the Company is subject to any material direct or indirect prohibition on the payment of dividends to the Company, on making any other distribution on such subsidiary's capital stock, on repaying the Company for any loans or advances to such subsidiary from the Company or on transferring any of such subsidiary's property or assets to the Company or to any other subsidiary of the Company.

(ii) The Company has taken all necessary actions to ensure that, upon and at all times after the effectiveness of the Registration Statement, so long as the Company has a class of securities registered under Section 12 of the Exchange Act, the Company and its officers and directors, in their capacities as such, will, solely to the extent applicable to the Company and the officers or directors of the Company, be in compliance in all material respects with the provisions of the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated thereunder ("**Sarbanes-Oxley Act**"). Except as disclosed in the Time of Sale Prospectus or Prospectus or as otherwise permitted by Sarbanes-Oxley Act, the Company has not, directly or indirectly, extended credit, arranged to extend credit or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company or any of its subsidiaries, or to or for any family member or affiliate of any of the foregoing.

(jj) The Company maintains a system of "internal control over financial reporting" (as defined in Rules 13a-15(f) under the Exchange Act) that complies with the requirements of the Exchange Act and has been designed by the Company's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including, without limitation, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Time of Sale Prospectus and the Prospectus, the Company's internal control over financial reporting is effective in performing the functions for which it was established, and the Company is not aware of any material weaknesses in its internal control over financial reporting. Except as disclosed in the Time of Sale Prospectus and the Prospectus, since the date of the latest audited financial statements in the Registration Statement, the Time of Sale Prospectus and the Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting

(kk) Except as disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus, the Company maintains "disclosure controls and procedures" (as defined in Rules 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act applicable to the Company designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities, and such disclosure controls and procedures are effective in performing the functions for which they were established.

(ll) Neither the Company nor any of its subsidiaries has sent or received any communication regarding the termination of, or the intention not to renew, any of the contracts or agreements referred to or described in the Time of Sale Prospectus or the Prospectus, or filed as an exhibit to, the Registration Statement that are material to the Company and its subsidiaries, taken as a whole, and no such termination or non-renewal has been threatened by the Company or any of its subsidiaries or, to the Company's knowledge, any other party to any such contract or agreement.

(mm) There are no business relationships or related-party transactions involving the Company, any of its subsidiaries or any other person required to be described in the Registration Statement, the Time of Sale Prospectus or the Prospectus which have not been described as required.

(nn) Except as disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus, the Company has no material lending or other relationship with any Underwriter (or any affiliate thereof) and does not intend to use any of the proceeds from the Offering to repay any outstanding debt to any Underwriter (or any affiliate thereof).

(oo) All federal, state, local and non-U.S. tax returns required to be filed by the Company or any of its subsidiaries have been timely filed, and all federal, state, local and non-U.S. taxes and

other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto due or claimed to be due from such entities, have been timely paid, other than those being contested in good faith and for which adequate reserves have been provided and there is no tax deficiency that has been, or could reasonably be expected to be, asserted against the Company, any of its subsidiaries or any of its or their respective properties or assets, except, in each case, as otherwise disclosed in the Time of Sale Prospectus and the Prospectus or would not or could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(pp) Neither the Company nor any of its subsidiaries nor, to the Company's knowledge, any of their respective directors, officers, employees or any agent, affiliate or person associated with or acting on behalf of the Company or any of its subsidiaries, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense, (ii) made, offered, promised or authorized any direct or indirect unlawful payments to foreign or domestic government officials or (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-bribery or anti-corruption law.

(qq) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable anti-money laundering laws, including, but not limited to, the Bank Secrecy Act of 1970, as amended by the USA PATRIOT Act of 2001, and the rules and regulations promulgated thereunder, and the anti-money laundering laws of the various jurisdictions in which the Company and its subsidiaries conduct business (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the Company's knowledge, threatened.

(rr) Neither the Company nor any of its subsidiaries nor, to the Company's knowledge, any of their respective directors, officers or employees, any agent, affiliate or person associated with or acting on behalf of the Company or any of its subsidiaries, is currently the subject or the target of any U.S. sanctions administered or enforced by the Office of Foreign Assets Control of the U.S. Treasury Department, the U.S. Department of State, the European Union, Her Majesty's Treasury, the United Nations Security Council or any other relevant sanctions authority (collectively, "**Sanctions**") or is located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Burma/Myanmar, Cuba, Iran, Libya, North Korea, Syria and Crimea). The Company will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, to fund or facilitate any activities of or business with any person, or in any country or territory, that at such time is the subject or the target of Sanctions or in any other manner that will result in a violation by any person (including any person participating in the transactions contemplated hereby, whether as an underwriter, advisor, investor or otherwise) of Sanctions. The Company and its subsidiaries are not knowingly engaged in, and for the past five years have not knowingly engaged in, any dealings or transactions with any person, or in any country or territory, that at such time is or was the subject or the target of Sanctions.

(ss) Except as described in the Time of Sale Prospectus and the Prospectus, the Company has not sold, issued or distributed any shares of Common Stock during the six-month period preceding the date hereof, including any sales pursuant to Rule 144A under, or Regulation D or Regulation S of, the Securities Act, other than shares issued pursuant to employee benefit plans, qualified stock option plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

(tt) Neither the Company nor any of its subsidiaries nor any of their respective directors, officers, affiliates or controlling persons has taken, directly or indirectly, any action designed, or which has constituted or might reasonably be expected, to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(uu) The Registration Statement, the Time of Sale Prospectus and the Prospectus comply, and any amendments or supplements (including wrappers) thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Time of Sale Prospectus or the Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program; and no approval, authorization, consent or order of or filing with of or with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the Exchange), other than such as have been, or prior to the Closing Date will be, obtained or made, is necessary in connection with the offering of the Directed Shares in any jurisdiction where the Directed Shares are being offered. The Company has not offered, or caused the Directed Share Underwriter to offer, Shares to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter its level or type of business with the Company or (ii) a trade journalist or publication to write or publish favorable information about the Company or its services.

2. *Representations and Warranties of the Selling Stockholders.* Each Selling Stockholder, severally and not jointly, represents and warrants to and agrees with each of the Underwriters at the date hereof, at the Closing Date and at each Option Closing Date, if any, that:

(a) Each Selling Stockholder that is not an individual is validly existing in good standing under the laws of its jurisdiction of formation and has the requisite power and authority to sell the Firm shares.

(b) All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement, the Power of Attorney (as defined in Section 2(d) hereof) and the Custody Agreement (as defined in Section 2(d) hereof), and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained. Such Selling Stockholder has the necessary power and authority to enter into this Agreement, the Power of Attorney and the Custody Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder.

(c) This Agreement has been duly authorized, executed and delivered by or on behalf of such Selling Stockholder, and is a valid and binding agreement of such Selling Stockholder, subject to equity.

(d) The Custody Agreement between such Selling Stockholder and Continental Stock Transfer & Trust Company, as custodian (the "**Custodian**"), relating to the deposit of the Shares to be sold by such Selling Stockholder (the "**Custody Agreement**"), and the Power of Attorney appointing certain individuals as such Selling Stockholder's attorneys-in-fact to the extent set forth therein, relating to the transactions contemplated hereby and by the Registration Statement (the "**Power of Attorney**"), have been duly authorized, executed and delivered by such Selling Stockholder and are valid and binding agreements of such Selling Stockholder, subject to equity.

(e) Neither the execution and delivery by such Selling Stockholder of, nor the performance by such Selling Stockholder of his, her or its obligations under, this Agreement, the Custody Agreement or the Power of Attorney will conflict with, contravene, result in a breach or violation of, or constitute a default under: (i) any statute, law, rule, regulation, judgment, order or decree of any Governmental Authority or court having jurisdiction over such Selling Stockholder; (ii) the articles or certificate of incorporation or bylaws (or charter and other organizational documents) of such Selling Stockholder, if applicable, or (iii) any contract, agreement, obligation, covenant or instrument to which such Selling Stockholder (or any of its assets) is subject or bound, except, in the case of the foregoing clauses (i) and (iii), for any such conflict, contravention, breach, violation or default that would not , individually or in the aggregate, reasonably be expected to materially impact such Selling Stockholder's ability to perform its obligations under this Agreement, the Custody Agreement or the Power of Attorney.

(f) No approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the Exchange), is required in connection with the performance by such Selling Stockholder of its obligations under this Agreement, the Custody Agreement or the Power of Attorney, other than (i) such as have been, or prior to the Closing Date will be, obtained or made, including approvals, authorizations, consents, orders or filings that will be required in connection with the Reclassification, (ii) the registration of the Shares under the Securities Act, which has been effected (or, with respect to any Rule 462 Registration Statement, will be effected in accordance with Rule 462(b) under the Securities Act), (iii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by such Selling Stockholder, (iv) such approvals as have been or, as of the Closing Date, will be obtained in connection with the listing of the Shares on the Exchange or (v) the approval by FINRA of the underwriting terms and arrangements.

(g) Such Selling Stockholder has good and valid title to the shares of Pre-Reclassification Common Stock to be reclassified into the Shares described in the Registration Statement, the Time of Sale Prospectus and the Prospectus and, immediately prior to the Closing Date and each Option Closing Date, if any, will have good and valid title to the Shares to be sold by such Selling Stockholder hereunder, free and clear of all liens, encumbrances, security interests, equities or claims, and when delivered against payment therefor in accordance with the terms hereof, good and valid title to such Shares, free and clear of all liens, encumbrances, security interests, equities or claims, will pass to the Underwriters.

(h) Prior to the execution hereof, such Selling Stockholder has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Securities Act) or used any prospectus in connection with the Offering, in each case other than the then most recent Preliminary Prospectus. Without the consent of the Representatives, such Selling Stockholder has not, directly or indirectly, prepared, made, used, authorized, approved or referred to, and will not prepare, make, use, authorize, approve or refer to, any free writing prospectus or Written Testing-the-Waters Communication.

(i) If such Selling Stockholder is a beneficial owner of 5% or more of the outstanding Common Stock or of any unregistered equity securities of the Company that were acquired at any time on or after the 180th day immediately preceding the date the Registration Statement was initially filed with the Commission, such Selling Stockholder is not, and does not have any association or affiliation with, a member of FINRA.

(j) Such Selling Stockholder has not taken, directly or indirectly, any action designed, or which has constituted or might reasonably be expected, to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(k) Except as described in the Registration Statement, Time of Sale Prospectus and the Prospectus or, as applicable, expressly waived prior to the date hereof with respect to the Offering, such Selling Stockholder does not (i) have any registration or other similar rights to have any securities registered for sale by the Company under the Registration Statement or included in the Offering, (ii) have any preemptive rights, co-sale rights, rights of first refusal or other similar rights to purchase any of the Shares that are to be sold by the Company or any of the other Selling Stockholders pursuant to this Agreement and (iii) own any warrants, options or similar rights, and does not have any right or arrangement, to acquire any capital stock, rights, warrants, options or other securities from the Company.

(l) Such Selling Stockholder is not currently the subject of or the target of any Sanctions and is not located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Burma/Myanmar, Cuba, Iran, Libya, North Korea, Syria and Crimea). Such Selling Stockholder will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, to fund or facilitate any activities of or business with any person, or in any country or territory, that at such time is the subject of Sanctions or in any other manner that will result in a violation by any person (including any person participating in the transactions contemplated hereby, whether as an underwriter, advisor, investor or otherwise) of Sanctions. Such Selling Stockholder is not knowingly engaged in, and for the past five years have not knowingly engaged in, any dealings or transactions with any person, or in any country or territory, that at such time is or was the subject or the target of Sanctions.

(m) (i) The Registration Statement, when it became effective and at the time of the execution hereof, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (ii) at no time during the period that begins on the date of the Preliminary Prospectus and ends immediately prior to the execution hereof did the Preliminary Prospectus contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (iii) the Time of Sale Prospectus does not, and at the Time of Sale, at the Closing Date and at each Option Closing Date, if any, the Time of Sale Prospectus, as then amended or supplemented, if applicable, will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (iv) each road show, when considered together with the Time of Sale Prospectus, does not contain any untrue statement of a material fact or omit to state a material fact

required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (v) the Prospectus, at the date it is filed with the Commission pursuant to Rule 424(b) under the Securities Act, at the Closing Date and at each Option Closing Date, if any, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, *however*, that the representations and warranties set forth in this Section 2(m) only apply to statements or omissions in the Registration Statement, the Preliminary Prospectus, the Time of Sale Prospectus, any road show or the Prospectus, or any amendments or supplements (including prospectus wrappers) to any of the foregoing, based upon information relating to such Selling Stockholder furnished to the Company in writing by or on behalf of such Selling Stockholder expressly for use therein, it being agreed that the only such information furnished by or on behalf of such Selling Stockholder to the Company expressly for use therein are the legal name and address of, and the number of Shares beneficially owned and offered by, such Selling Stockholder, the other information with respect to such Selling Stockholder that appears under the caption "Principal and Selling Stockholders" in the Preliminary Prospectus, the Time of Sale Prospectus and the Prospectus (collectively, the "**Selling Stockholder Information**").

(n) Such Selling Stockholder is not prompted to sell its Shares pursuant to this Agreement by any material non-public information concerning the Company or its subsidiaries that is not set forth in the Registration Statement, the Time of Sale Prospectus or the Prospectus.

(o) The Shares represented by the certificates held in custody for such Selling Stockholder under the Custody Agreement are subject to the interests of the Underwriters hereunder. The arrangements made by such Selling Stockholder for such custody under the Custody Agreement, and the appointment by such Selling Stockholder of the attorneys-in-fact pursuant to the Power of Attorney, are irrevocable. The obligations of such Selling Stockholder hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder, or in the case of an trust or estate, by the death or incapacity of any trustee or executor or the termination of such trust or estate, or in the case of a partnership or corporation, by the dissolution of such partnership or corporation, or by the occurrence of any other event. If any individual Selling Stockholder or any such trustee or executor should die or become incapacitated, or if any such trust or estate should be terminated, or if any such partnership or corporation should be dissolved, or if any other such event should occur, prior to the delivery of the Shares to be sold by such Selling Stockholder hereunder, certificates representing the Shares to be sold by such Selling Stockholder hereunder shall be delivered by or on behalf of such Selling Stockholders in accordance with the terms and conditions of this Agreement and the Custody Agreement, and actions taken by the attorneys-in-fact pursuant to the Power of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the Custodian, the attorneys-in-fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event.

(p) Such Selling Stockholder represents and warrants that it is not (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan or account subject to Section 4975 of the Code or (iii) an entity deemed to hold "plan assets" of any such plan or account under Section 3(42) of ERISA, 29 C.F.R. 2510.3-101 or otherwise.

3. *Agreements to Sell and Purchase.* The Company hereby agrees to issue and sell [●] Firm Shares, and each Selling Stockholder, severally and not jointly, hereby agrees to sell the number of Firm Shares set forth opposite such Selling Stockholder's name in Schedule II hereto, to the several Underwriters at a price of $[●] per share (the "**Purchase Price**"), and each Underwriter, upon the basis of the representations and warranties and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase from the Company and each Selling Stockholder, at the Purchase Price, the number of Firm Shares set forth opposite the name of such Underwriter set forth in Schedule I hereto.

Moreover, each Selling Stockholder, severally and not jointly, hereby agrees to sell the number of Additional Shares set forth opposite such Selling Stockholder's name in Schedule II hereto, to the Underwriters at the Purchase Price, and the Underwriters, upon the basis of the representations and warranties contained herein, but subject to the terms and conditions herein set forth, shall have the right (but not the obligation) to purchase, severally and not jointly, at the Purchase Price, up to the total number of Additional Shares set forth opposite the name of such Underwriter set forth in Schedule I hereto. The Representatives may exercise this right to purchase Additional Shares on behalf of the Underwriters in whole or from time to time in part by giving written notice of such exercise not later than 30 days after the date hereof. Any exercise notice shall specify the number of Additional Shares to be purchased by the Underwriters and the date on which such Additional Shares are to be purchased. Each purchase date must be at least one business day after the date on which such written notice is given and may not be earlier than the Closing Date or later than ten business days after the date on which such written notice is given. On each day, if any, that Additional Shares are to be purchased (each, an "**Option Closing Date**"), each Underwriter agrees, severally and not jointly, to purchase the number of Additional Shares (subject to such adjustments to eliminate fractional shares as the Representatives may determine) that bears the same proportion to the total number of Additional Shares to be purchased on such Option Closing Date as the number of Firm Shares set forth in Schedule I hereto opposite the name of such Underwriter bears to the total number of Firm Shares to be purchased on the Closing Date.

4. *Payment and Delivery*. Payment for the Firm Shares to be sold by the Company and each Selling Stockholder shall be made to the Company in federal or other funds immediately available in Milwaukee, Wisconsin against delivery of such Firm Shares for the respective accounts of the several Underwriters at 10:00 a.m., Central Time, on [●], 2018, or at such other date and time, not later than [●], 2018, as shall be designated in writing by the Representatives (such date and time, the "**Closing Date**").

Payment for any Additional Shares shall be made to the [Selling Stockholders/Custodian] in federal or other funds immediately available in Milwaukee, Wisconsin against delivery of such Additional Shares for the respective accounts of the several Underwriters at 10:00 a.m., Central Time, on the date specified in the corresponding exercise notice described in Section 3 hereof or at such other date and time, not later than [●], 2018, as shall be designated in writing by the Representatives.

The Firm Shares and the Additional Shares shall be registered in such names and in such denominations as the Representatives shall request in writing not later than one full business day prior to the Closing Date or the Option Closing Date, as applicable. The Firm Shares and the Additional Shares shall be delivered to the Representatives on the Closing Date or the Option Closing Date, as applicable, for the respective accounts of the several Underwriters, with any

transfer taxes payable in connection with the transfer of the Shares to the Underwriters duly paid, against payment of the Purchase Price therefor. Delivery of the Shares shall be made through the facilities of the Depository Trust Company ("**DTC**") for the accounts of the Underwriters, unless the Representatives shall otherwise instruct. The certificates for the Shares, if any, will be made available for inspection and packaging by the Representatives at the office of DTC or its designated custodian not later than 12:00 p.m., Central Time, on the business day prior to the Closing Date or the Option Closing Date, as applicable.

5. *Conditions to the Underwriters' Obligations***.** The obligations of the Underwriters are subject to the condition that all representations and warranties of the Company and each Selling Stockholder contained herein are, at the date hereof, at the Closing Date and at each Option Closing Date, if any, true and correct, the condition that the Company and each Selling Stockholder have performed their respective obligations required to be performed hereunder prior to the Closing Date and the following further conditions:

(a) Subsequent to the execution and delivery hereof and prior to the Closing Date and each Option Closing Date, if any, there shall have not have occurred:

(i) any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating, if any, accorded any securities of the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" (as defined for purposes of Section 3(a)(62) of the Exchange Act); and

(ii) any change, or any development involving a prospective change, in the assets, business, condition (financial or otherwise), management, operations, earnings or prospects of the Company and its subsidiaries, taken as a whole, from that set forth in the Time of Sale Prospectus that makes it, in the judgment of the Representatives, impracticable or inadvisable to offer or sell the Shares on the terms and in the manner contemplated in the Time of Sale Prospectus.

(b) The Underwriters shall have received on the Closing Date and each Option Closing Date, if any, a certificate, dated the Closing Date or such Option Closing Date, as applicable, and signed by the Chief Executive Officer and the Chief Financial Officer of the Company, to the effect that (i) the representations and warranties of the Company set forth herein are true and correct at and as if made on the Closing Date or such Option Closing Date, as applicable, (ii) the Company has complied in all material respects with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date or such Option Closing Date, as applicable, and (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings or examination for that purpose have been instituted or, to the knowledge of such officers, threatened and (iv) as to such other matters as the Representatives may reasonably request. The delivery of such certificate shall constitute a representation and warranty of the Company as to the statements made therein.

(c) The Underwriters shall have received on the Closing Date and each Option Closing Date, if any, a certificate, dated the Closing Date or such Option Closing Date, as applicable, and signed by each Selling Stockholder, to the effect that (i) the representations and warranties of such Selling Stockholder set forth herein are true and correct as of the Closing Date or such Option

Closing Date, as applicable, (ii) such Selling Stockholder has complied in all material respects with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date or such Option Closing Date, as applicable and (iii) as to such other matters as the Representatives may reasonably request.

(d) The Underwriters shall have received on the Closing Date and each Option Closing Date, if any:

(i) an opinion of Akin Gump Strauss Hauer & Feld LLP, outside counsel for the Company, dated the Closing Date or such Option Closing Date, as applicable, in form and substance reasonably satisfactory to counsel for the Underwriters;

(ii) a negative assurance letter of Akin Gump Strauss Hauer & Feld LLP, outside counsel for the Company, dated the Closing Date or such Option Closing Date, as applicable, in form and substance reasonably satisfactory to counsel for the Underwriters;

(iii) an opinion of Akin Gump Strauss Hauer & Feld LLP, counsel for the Selling Stockholders, dated the Closing Date or such Option Closing Date, as applicable, in form and substance reasonably satisfactory to counsel for the Underwriters;

(iv) an opinion of Pepper Hamilton LLP, Delaware counsel for the Company and the Selling Stockholders, dated the Closing Date or such Option Closing Date, as applicable, in form and substance reasonably satisfactory to counsel for the Underwriters; and

(v) an opinion and negative assurance letter of Latham & Watkins LLP, counsel for the Underwriters, dated the Closing Date or such Option Closing Date, as applicable, in form and substance satisfactory to the Underwriters.

(e) The Underwriters shall have received, on the date hereof, the Closing Date and each Option Closing Date, if any, a letter, dated the date hereof, the Closing Date or the Option Closing Date, as applicable, in form and substance satisfactory to the Underwriters, from RSM US LLP, independent public accountants, addressed to the Underwriters and copied to each member of the Company's Board of Directors who signed the Registration Statement at any time, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(f) The Underwriters shall have received, on the date hereof, the Closing Date and each Option Closing Date, if any, a certificate, dated the date hereof, the Closing Date or the Option Closing Date, as applicable, of the Chief Financial Officer of the Company with respect to certain financial data contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus, providing "management comfort" with respect to such information, in form and substance satisfactory to the Underwriters.

(g) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Securities Act within the applicable time period prescribed for such filing by the rules and regulations under the Securities Act and in accordance with Section 6(b) hereof, and any issuer free writing prospectus or other material required to be filed by the Company pursuant to Rule 433

under the Securities Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433 under the Securities Act and in accordance with Section 6(b) hereof. If the Company has elected to rely upon Rule 462(b) under the Securities Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 p.m., Eastern Time, on the date hereof. No stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, the Time of Sale Prospectus, the Prospectus or any issuer free writing prospectus shall have been issued, and no proceedings for such purpose shall have been instituted or threatened by the Commission; no notice of objection of the Commission to the use of the Registration Statement shall have been received; and all requests for additional information on the part of the Commission shall have been complied with to the satisfaction of the Representatives. No action shall have been taken, and no statute, rule, regulation, injunction, decree or order shall have been enacted, adopted or issued, by any Governmental Authority that would, at the Closing Date or at each Option Closing Date, as applicable, prohibit the issuance or sale of the Shares.

(h) The Underwriters shall have received, on or prior to the date hereof,"lock-up" agreements, each substantially in the form ofExhibit A hereto, between the Representatives, on the one hand, and the directors and certain officers and stockholders of the Company, on the other hand, relating to sales and certain other dispositions of shares of Common Stock and other securities of the Company, and such lock-up agreements shall be in full force and effect at the Closing Date and each Closing Date, if any.

(i) The Shares shall have been approved for listing on the Exchange, subject only to official notice of issuance.

(j) FINRA shall not have raised any objection with respect to the fairness or reasonableness of the terms and arrangements of the underwriting or the transactions contemplated hereby.

(k) On or after the Time of Sale there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by either federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares on the terms and in the manner contemplated in the Prospectus.

(l) The obligations of the Underwriters to purchase Additional Shares hereunder are subject to the delivery to the Representatives on each Option Closing Date of such documents as the Representatives may reasonably request, including certificates of officers of the Company, legal opinions and an accountant's comfort letter, and other matters related to the issuance of such Additional Shares.

The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters set forth in this Section 5, whether in respect of the Closing Date, an Option Closing Date or otherwise.

6. *Covenants of the Company*. The Company covenants with each Underwriter as follows:

(a) The Company will furnish to the Underwriters, without charge, prior to the date hereof, two signed copies of the Registration Statement (including exhibits thereto). The Company will furnish to the Representatives, without charge, prior to 10:00 a.m., Central Time, on the business day next succeeding the date hereof and during the period referenced in Section 6(g) or 7(h) hereof, as many copies of the Registration Statement, the Time of Sale Prospectus and the Prospectus, and any amendments or supplements (including prospectus wrappers) to any of the foregoing, as the Representatives may reasonably request.

(b) The Company will cause to be prepared and delivered to the Underwriters, at its expense, within one business day from the date hereof, an "electronic Prospectus" to be used by the Underwriters in connection with the Offering. The term "**electronic Prospectus**" means a form of the Time of Sale Prospectus, and any amendment or supplement thereto, that (i) is encoded in an electronic format, satisfactory to the Representatives, including, but not limited to, portable document format, or PDF, that may be transmitted electronically by the Underwriters to offerees and purchasers of the Shares, and (ii) discloses the same information as the paper Time of Sale Prospectus, except to the extent that graphic and image material cannot be disseminated electronically, in which case such graphic and image material shall be replaced in the electronic Prospectus with a fair and accurate narrative description or tabular representation of such material, as appropriate.

(c) Before amending or supplementing the Registration Statement, the Time of Sale Prospectus or the Prospectus, the Company will (i) furnish to the Representatives a copy of each such proposed amendment or supplement, (ii) not file any such proposed amendment or supplement to which the Representatives shall reasonably object, (iii) file with the Commission, within the applicable period specified in Rule 424(b) under the Securities Act, the Prospectus required to be filed pursuant to such Rule and (iv) file any issuer free writing prospectus to the extent required by Rule 433 under the Securities Act.

(d) The Company will furnish to the Representatives a copy of each proposed free writing prospectus to be prepared by or on behalf of, used by, or referred to by the Company, and will not use or refer to any proposed free writing prospectus to which the Representatives shall reasonably object.

(e) The Company will not take any action that would result in an Underwriter or the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of the Underwriter that the Underwriter otherwise would not have been required to file thereunder.

(f) The Company will advise the Representatives promptly (i) when the Registration Statement has become effective, (ii) when any amendment to the Registration Statement has been filed or becomes effective, (iii) when any amendment or supplement to the Prospectus, any issuer free writing prospectus or any Permitted Testing-the-Waters Communication has been filed or

distributed, (iv) of any request by the Commission for amendments or supplements to the Registration Statement, any Preliminary Prospectus or the Prospectus or for additional information with respect thereto or (v) of any notice of institution of proceedings for, or the entry of a stop order, suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, the Time of Sale Prospectus or the Prospectus, and if the Commission should enter such a stop order, the Company will use its best efforts to obtain the lifting or removal of such order as soon as possible.

(g) If the Time of Sale Prospectus is being used to solicit offers to buy the Shares at a time when the Prospectus is not yet available to prospective purchasers and any event shall occur or condition shall exist as a result of which it is necessary to amend or supplement the Time of Sale Prospectus in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if any event shall occur or condition shall exist as a result of which the Time of Sale Prospectus conflicts with the information contained in the Registration Statement then on file, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Time of Sale Prospectus to comply with applicable law, the Company will forthwith prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to any dealer upon request, such amendments or supplements so that the statements in the Time of Sale Prospectus as so amended or supplemented will not, in the light of the circumstances when the Time of Sale Prospectus is delivered to a prospective purchaser, be misleading, or so that the Time of Sale Prospectus, as amended or supplemented, will no longer conflict with the Registration Statement, or so that the Time of Sale Prospectus, as amended or supplemented, will comply with applicable law.

(h) If, during such period after the time of filing the Prospectus as in the opinion of counsel for the Underwriters the Prospectus (or, in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is required by law to be delivered in connection with sales by an Underwriter or dealer, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances when the Prospectus (or, in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is delivered to a purchaser, not misleading, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Prospectus to comply with applicable law, the Company will forthwith prepare, file with the Commission and furnish, at its own expense, to the Underwriters, to the dealers (whose names and addresses the Representatives will furnish to the Company) to which Shares may have been sold by the Representatives on behalf of the Underwriters and to any other dealer upon request, such amendments or supplements so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances when the Prospectus (or, in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is delivered to a purchaser, be misleading or so that the Prospectus, as amended or supplemented, will comply with applicable law.

(i) If, at or after the date hereof, it is necessary or appropriate for a post-effective amendment to the Registration Statement or a Rule 462 Registration Statement to be filed with the Commission and become effective before the Shares may be sold, the Company will use its best efforts to cause such post-effective amendment or such Rule 462 Registration Statement to be filed and become effective, and will pay any applicable fees in accordance with the Securities Act, as soon as possible. The Company will promptly advise the Representatives and, if requested by the Representatives, will confirm such advice in writing, (i) when such post-effective amendment or

such Rule 462 Registration Statement has become effective and (ii) if Rule 430A or 430C under the Securities Act is used, when the Prospectus is filed with the Commission pursuant to Rule 424(b) under the Securities Act (which the Company agrees to file in a timely manner in accordance with such Rules).

(j) The Company will file in a timely manner all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus (or, in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is required in connection with the offering or sale of the Shares.

(k) The Company will promptly furnish such information or take such action as the Representatives may reasonably request and otherwise to qualify the Shares for offer and sale under the securities or "blue sky" laws of such states and other jurisdictions (domestic or foreign) as the Representatives shall reasonably request, and will comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares; *provided, however*, that the Company shall not be required to qualify as a foreign corporation or to file a consent to service of process in any jurisdiction (excluding service of process with respect to the offer and sale of the Shares). The Company will promptly advise the Representatives of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(l) The Company will make generally available to its security holders and to the Representatives as soon as practicable an earnings statement covering a period of at least 12 months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) under the Securities Act), which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(m) The Company will use its best efforts to cause the Shares to be listed on the Exchange and to maintain such listing.

(n) The Company will not, during the period beginning on the date hereof and ending 180 days after the date of the Prospectus, without the prior written consent of the Representatives, (i) issue, offer, sell, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, Common Stock, (ii) enter into any swap, forward contract, hedging transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Stock, whether any such transaction described in clause (i) above or this clause (ii) is to be settled by delivery of Common Stock or such other securities, in cash or otherwise, (iii) file any registration statement with the Commission relating to the offering of any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or (iv) publicly disclose or announce an intention to effect any transaction specified in clause (i), (ii) or (iii) above. The restrictions contained in the preceding sentence shall not apply to (A) the Shares to be sold hereunder, (B) the grant of equity-based securities representing the right to acquire shares of Common Stock pursuant to the Company's equity-based compensation plans, under the terms of

such plans in effect on the date hereof or, in the case of the Restated Plan, under the terms that will be in effect when adopted, that are described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, *provided* that such equity-based securities are granted at fair market value, or the sale of shares of Common Stock to employees of the Company pursuant to the Company's employee stock purchase plans that are described in the Registration Statement, the Time of Sale Prospectus and the Prospectus (or the filing of a registration statement on Form S-8 to register shares of Common Stock issuable under such plans), (C) the issuance by the Company of shares of Common Stock upon the exercise of an option, warrant or equity-based security, the conversion, vesting or exercise of a security outstanding on the date hereof of which the Representatives have been advised in writing or (D) the issuance by the company of shares of restricted common stock to its non-employee directors as compensation to such non-employee directors in amounts set forth in the Registration Statement, the Time of Sale Prospectus and the Prospectus under the heading "Director Compensation." If the Representatives agree to release or waive any of the restrictions contained in a lock-up letter, as described in Section 5(h) hereof, for a director or officer of the Company and notify the Company at least three business days before the effective date of such release or waiver, the Company agrees to announce such release or waiver by a press release through a major news service at least two business days before the effective date of such release or waiver.

(o) The Company will prepare, if the Representatives so request, a final term sheet relating to the Offering, containing only information that describes the final terms of the Offering in a form consented to by the Representatives, and file such final term sheet within the period required by Rule 433(d)(5)(ii) under the Securities Act following the date on which the final terms have been established for the Offering.

(p) The Company will comply with Rules 433(d) and 433(g) under the Securities Act.

(q) The Company will not take, directly or indirectly, any action designed, or which has constituted or might reasonably be expected, to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(r) The Company will not, at any time at or after the execution hereof, directly or indirectly, offer or sell any Shares by means of any "prospectus" (within the meaning of the Securities Act) or use any prospectus in connection with the offer or sale of the Shares, except in each case other than the Prospectus.

(s) The Company will apply the net proceeds to the Company from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(t) The Company will use its commercially reasonable efforts to cause the Shares to be eligible for clearance through DTC.

(u) The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) the time when a prospectus relating to the Shares is not required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) and (ii) the expiration of the lock-up period described in Section 6(n) hereof.

(v) If at any time following the distribution of any Permitted Testing-the-Waters Communication, there occurred or occurs an event or development as a result of which such Permitted Testing-the-Waters Communication included or would include an untrue statement of a

material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at such subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Permitted Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

7. *Covenants of the Selling Stockholders.* Each Selling Stockholder covenants to each Underwriter as follows:

(a) Such Selling Stockholder has furnished to the Representatives, on or prior to the date hereof, a lock-up letter, as described in Section 5(h) hereof, which has been be duly authorized, executed and delivered by such Selling Stockholder.

(b) Such Selling Stockholder will promptly advise the Representatives and, if requested by the Representatives, will confirm such advice in writing, so long as delivery of a prospectus relating to the Shares by an underwriter or dealer may be required under the Securities Act, any change in the Selling Stockholder Information contained in the Registration Statement, the Time of Sale Prospectus or the Prospectus relating to such Selling Stockholder that would cause the Registration Statement, the Time of Sale Prospectus or the Prospectus to contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) Such Selling Stockholder will not take, directly or indirectly, any action designed, or that might be reasonably expected, to cause or result in stabilization or manipulation of the price of any security of the Company, whether to facilitate the sale or resale of the Shares or otherwise.

(d) Such Selling Stockholder shall deliver to the Representatives, prior to the Closing Date, a properly completed and executed U.S. Treasury Department Form W-8 or Form W-9, as applicable.

(e) Such Selling Stockholder shall not, directly or indirectly, prepare, make, use, authorize, approve or refer to any "prospectus" (within the meaning of the Securities Act), in each case other than the Prospectus, any Permitted Free Writing Prospectus and/or any Permitted Testing-the-Waters Communication.

8. *Expenses.* Whether or not the transactions contemplated hereby are consummated or this Agreement is terminated, the Company agrees to pay or cause to be paid all costs and expenses incident to the performance of its and the Selling Stockholders' obligations hereunder, including, but not limited to: (a) the fees, disbursements and expenses of the counsel for the Company, the Company's accountants and counsel for the Selling Stockholders in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any Preliminary Prospectus, the Time of Sale Prospectus, the Prospectus, any free writing prospectus prepared by or on behalf of, used by or referred to by the Company, and amendments and supplements to any of the foregoing, including all printing costs associated therewith, and the mailing and delivering of copies thereof to the Underwriters and dealers, in the quantities hereinabove specified; (b) all costs and expenses related to the transfer and delivery of the Shares to the Underwriters, including any transfer or other taxes

payable thereon; (c) the costs of printing or producing any securities or "blue sky" memorandum in connection with the Offering under the securities laws of the jurisdictions in which the Shares may be offered or sold and all expenses in connection with the qualification of the Shares for offer and sale under such securities laws as provided in Section 6(k) hereof, including filing fees and the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with a "blue sky" memorandum; (d) all filing fees and the fees and disbursements of counsel for the Underwriters incurred in connection with the review and qualification of the offering of the Shares by FINRA; (e) all fees and expenses in connection with the preparation and filing of a registration statement on Form 8-A relating to the Common Stock and all costs and expenses incident to listing the Shares on the Exchange; (f) the costs of printing certificates representing the Shares; (g) the costs and charges of any transfer agent, registrar or depositary; (h) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Offering, including, without limitation, expenses associated with the preparation or dissemination of any road show, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations (with the prior approval of the Company), travel, food and lodging expenses of the representatives and officers of the Company and any such consultants, and the cost of any aircraft chartered in connection with the road show; (i) the document production charges and expenses associated with printing this Agreement; (j) all expenses in connection with any offer and sale of the Shares outside of the United States, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and the preparation of any prospectus wrappers or disclosures deemed advisable or necessary to comply with foreign securities laws; (k) all fees and disbursements of counsel for the Underwriters, and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program; and (l) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section 8.

Whether or not the Offering is consummated or this Agreement is terminated, the Selling Stockholders agree to pay or cause to be paid all costs and expenses incident to the performance of the Selling Stockholders' obligations hereunder that are not otherwise specifically provided for in this Section 8, including, but not limited to, any fees and expenses of counsel for, and other advisors to, the Selling Stockholders, and all expenses and taxes incident to the sale and delivery of the Shares to be sold by the Selling Stockholders to the Underwriters hereunder.

Except as expressly set forth herein, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel, stock transfer taxes payable on the resale of any of the Shares by them and any advertising expenses connected with any offers they may make.

Notwithstanding the above, if the Offering is not consummated because any condition to the obligations of the Underwriters set forth inSection 5 hereof is not satisfied, because of any termination of this Agreement by the Underwriters pursuant to Section 11 hereof or because of any refusal, inability or failure on the part of the Company to perform any of its obligations or covenants hereunder or to comply with any provision hereof other than by reason of a default by any of the Underwriters, then the Company will reimburse the Underwriters (or such Underwriters as have so terminated this Agreement with respect to themselves), severally, through the Representatives, on demand, for all out-of-pocket expenses (including reasonable fees and disbursements of counsel) reasonably incurred by such Underwriters in connection with this Agreement or in furtherance of the Offering.

The provisions of this Section 9 shall not supersede or otherwise affect any agreement that the Company and the Selling Stockholders may otherwise have amongst themselves for the allocation of such expenses.

9. *Indemnity and Contribution*.

(a) The Company agrees to indemnify and hold harmless each Underwriter, each person, if any, who controls any Underwriter (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each affiliate of any Underwriter (within the meaning of Rule 405 under the Securities Act) (collectively, the "**Underwriter Entities**") from and against any and all losses, claims, damages and liabilities, including actions and other proceedings in respect thereof and including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such claim, action or other proceeding (any of the foregoing, a "**Loss**"), caused by, arising out of or based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Time of Sale Prospectus, any issuer free writing prospectus, any issuer information that the Company has filed or is required to file pursuant to Rule 433(d) under the Securities Act, any road show, any Written Testing-the-Waters Communication or the Prospectus, or any amendments or supplements (including prospectus wrappers) to any of the foregoing, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, *however*, that the Company shall not be liable under this Section 9(a) to the extent that such Losses are caused by, arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission made therein in reliance upon and in conformity with the Underwriter Information furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein.

(b) Each Selling Stockholder agrees, severally and not jointly, to indemnify and hold harmless each Underwriter Entity from and against any and all Losses caused by, arising out of or based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Time of Sale Prospectus, any issuer free writing prospectus, any issuer information that the Company has filed or is required to file pursuant to Rule 433(d) under the Securities Act, any road show, any Written Testing-the-Waters Communication or the Prospectus, or any amendments or supplements (including prospectus wrappers) to any of the foregoing, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission or alleged untrue statement or omission was made therein in reliance upon and in conformity with the Selling Stockholder Information relating to such Selling Stockholder furnished to the Company in writing by or on behalf of such Selling Stockholder expressly for use therein. The liability of each Selling Stockholder under this Section 9(b) shall be limited to an amount equal to the net proceeds (before deducting expenses) from the Offering received by such Selling Stockholder hereunder.

(c) Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, the Selling Stockholders, the directors of the Company, the officers of the Company who sign the Registration Statement and each person, if any, who controls the Company or any Selling Stockholder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) from and against any and all Losses caused by, arising from or based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Time of Sale Prospectus, any issuer free writing prospectus, any issuer information that the Company has filed or is required to file pursuant to Rule 433(d) under the Securities Act, any road show, any Written Testing-the-Waters Communication or the Prospectus, or any amendments or supplements (including prospectus wrappers) to any of the foregoing, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission or alleged untrue statement or omission was made therein in reliance upon and in conformity with the Underwriter Information furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein.

(d) In case any claim, action or other proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Section 9(a), 9(b) or 9(c) hereof, such person (the "**indemnified party**") shall promptly notify the person against whom such indemnity may be sought (the "**indemnifying party**") in writing (but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement), and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate law firm (in addition to any local counsel) for (i) all Underwriter Entities, (ii) the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and (iii) all Selling Stockholders and all persons, if any, who control any Selling Stockholder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate

law firm for the Underwriters and any control persons and affiliates of any Underwriters, such law firm shall be designated in writing by the Representatives. In the case of any such separate law firm for the Company, and such directors, officers and control persons of the Company, such firm shall be designated in writing by the Company. In the case of any such separate law firm for the Selling Stockholders and such control persons of any Selling Stockholders, such law firm shall be designated in writing by the persons named as attorneys-in-fact for the Selling Stockholders under the Power of Attorney. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, then the indemnifying party agrees to indemnify the indemnified party from and against any Loss by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel required to be reimbursed by an indemnifying party pursuant to the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by such indemnifying party of such request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement or objected in good faith to the indemnified party's expense reimbursement request. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on Losses that are the subject matter of such proceeding.

(e) To the extent the indemnification provided for inSection 9(a), 9(b) or 9(c) hereof is unavailable to an indemnified party or is insufficient in respect of any Losses referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such Losses (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party or parties, on the one hand, and the indemnified party or parties, on the other hand, from the Offering or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the indemnifying party or parties, on the one hand, and of the indemnified party or parties, on the other hand, in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other hand, in connection with the Offering shall be deemed to be in the same respective proportions as the net proceeds from the Offering (before deducting expenses) received by each of the Company and the Selling Stockholders and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate Public Offering Price of the Shares. The relative fault of the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and the Selling Stockholders or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Underwriters' respective obligations to contribute pursuant to this Section 9 are several, and not joint, in proportion to the respective number of Shares they have

purchased hereunder. The liability of each Selling Stockholder to contribute pursuant to this Section 9 shall be limited to an amount equal to the net proceeds (before deducting expenses) from the Offering received by such Selling Stockholder hereunder.

(f) The Company, the Selling Stockholders and the Underwriters agree that it would not be just or equitable if contribution pursuant to this Section 9 were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Section 9(e) hereof. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any indemnified party at law or in equity.

(g) The indemnity and contribution provisions set forth in this Section 9 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Underwriter Entity, any Selling Stockholder, any person controlling any Selling Stockholder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), the Company, any person controlling the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) or the Company's directors or officers and (iii) the acceptance of and payment for any of the Shares.

10. *Directed Share Program Indemnification.*

(a) The Company agrees to indemnify and hold harmless each Underwriter Entity, which for the purposes of this Section 10 shall include the Directed Share Underwriter, from and against any and all Losses (i) caused by, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) caused by, arising out of or based upon the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase or (iii) related to, arising out of or in connection with the Directed Share Program, other than Losses that are finally judicially determined to have resulted from the bad faith or gross negligence of the Underwriter Entities.

(b) In case any claim, action or other proceeding (including any governmental investigation) shall be instituted involving any Underwriter Entity in respect of which indemnity may be sought pursuant to Section 10(a) hereof, the Underwriter Entity seeking indemnity shall promptly notify the Company in writing and the Company, upon request of the Underwriter Entity, shall retain counsel reasonably satisfactory to the Underwriter Entity to represent the Underwriter Entity and any others the Company may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Underwriter Entity shall have the right to retain its own counsel, but the fees and expenses of such counsel shall

be at the expense of such Underwriter Entity unless (i) the Company shall have agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the Company and the Underwriter Entity and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the Company shall not, in respect of the legal expenses of the Underwriter Entities in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate law firm (in addition to any local counsel) for all of the Underwriter Entities. Any such separate law firm for the Underwriter Entities shall be designated in writing by the Representatives. The Company shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, then the Company agrees to indemnify the Underwriter Entities from and against any Loss by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Underwriter Entity shall have requested the Company to reimburse it for fees and expenses of counsel required to be reimbursed by the Company pursuant to the second and third sentences of this paragraph, the Company agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by the Company of such request and (ii) the Company shall not have reimbursed the Underwriter Entity in accordance with such request prior to the date of such settlement or objected in good faith to the Underwriter Entity's expense reimbursement requested. The Company shall not, without the prior written consent of the Representatives, effect any settlement of any pending or threatened proceeding in respect of which any Underwriter Entity is or could have been a party and indemnity could have been sought hereunder by such Underwriter Entity, unless such settlement includes an unconditional release of the Underwriter Entities from all liability on Losses that are the subject matter of such proceeding.

(c) To the extent the indemnification provided for inSection 10(a) hereof is unavailable to an Underwriter Entity or is insufficient in respect of any Losses referred to therein, then the Company, in lieu of indemnifying the Underwriter Entity thereunder, shall contribute to the amount paid or payable by the Underwriter Entity as a result of such Losses (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriter Entities, on the other hand, from the offering of the Directed Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Underwriter Entities, on the other hand, in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriter Entities, on the other hand, in connection with the offering of the Directed Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Directed Shares (before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriter Entities for the Directed Shares bear to the aggregate Public Offering Price of the Directed Shares. If the Loss is caused by an untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact, the relative fault of the Company, on the one hand, and the Underwriter Entities, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriter Entities and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(d) The Company and the Underwriter Entities agree that it would not be just or equitable if contribution pursuant to this Section 10 were determined by *pro rata* allocation (even if the Underwriter Entities were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Section 10(c) hereof. The amount paid or payable by the Underwriter Entities as a result of the Losses referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by the Underwriter Entities in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 10, no Underwriter Entity shall be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter Entity has otherwise been required to pay by reason of such statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 10 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any indemnified party at law or in equity.

(e) The indemnity and contribution provisions set forth in this Section 10 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Underwriter Entity, the Company, any person controlling the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) or the Company's directors or officers and (iii) the acceptance of and payment for any of the Directed Shares.

11. *Termination.* The Underwriters may terminate this Agreement by notice given by the Representatives to the Company, if after the execution and delivery hereof and prior to the Closing Date: (a) there has been, since the time of the execution hereof or since the respective dates as of which information is given in the Registration Statement, the Time of Sale Prospectus or the Prospectus, any Material Adverse Effect, whether or not arising in the ordinary course of business; (b) trading generally shall have been suspended or materially limited or minimum or maximum prices shall have been established, or maximum ranges for prices have been required, on, or by, as the case may be, any of the New York Stock Exchange, the NYSE MKT, LLC or The Nasdaq Global Market, LLC, or by order of the Commission, FINRA or any other governmental authority; (c) trading of any securities of the Company shall have been suspended or materially limited on any exchange or in any over-the-counter market; (d) a material disruption in securities settlement, payment or clearance services in the United States shall have occurred; (e) any moratorium or material limitation on commercial banking activities shall have been declared by Federal or state authorities; (f) there shall have occurred any outbreak or escalation of hostilities, act of terrorism involving the United States or declaration by the United States of a national emergency or war; or (g) any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (f) or (g), makes it, in the Representatives' judgment, impracticable or inadvisable to proceed with the offer, sale or delivery of the Shares on the terms and in the manner contemplated in the Time of Sale Prospectus or the Prospectus (exclusive of any supplement thereto).

12. *Effectiveness; Defaulting Underwriters*. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

(a) If, on the Closing Date or an Option Closing Date, as applicable, any one or more of the Underwriters shall fail or refuse to purchase Shares that it has or they have agreed to purchase hereunder on such date (the "**Defaulted Shares**"), then the Representatives shall have right in their discretion to arrange for the purchase by one or more of the non-defaulting Underwriters, or any other Underwriters, of all but not less than all of the Defaulted Shares in such amounts as may be agreed upon and upon the terms herein set forth. If within 36 hours after such default by any Underwriter, the Representatives do not arrange for the purchase of such Defaulted Shares, then the Company and the Selling Stockholders shall be entitled to a further period of 36 hours (which may be waived by the Company (and the Selling Stockholders, if applicable)) within which to procure another party or other parties satisfactory to the Representatives to purchase the Defaulted Shares on such terms as are acceptable to the Company (and the Selling Stockholders, if applicable). In the event that, within the respective prescribed periods, the Representatives notify the Company (and the Selling Stockholders, if applicable) that they have so arranged for the purchase of the Defaulted Shares, or the Company (and the Selling Stockholders, if applicable) notifies the Representatives that it has so arranged for the purchase of the Defaulted Shares, the Representatives or the Company (and the Selling Stockholders, if applicable) shall have the right to postpone the Closing Date or Option Closing Date, as applicable, for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement, the Time of Sale Prospectus, the Prospectus and in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement, the Time of Sale Prospectus or the Prospectus which may thereby be made necessary. As used herein, the term "**Underwriter**" shall include any person substituted under this Section 12 with like effect as if such person had originally been a party hereto with respect to the Defaulted Shares.

(b) If, after giving effect to any arrangements for the purchase of Defaulted Shares by the Representatives or the Company (and the Selling Stockholders, if applicable) as provided in Section 12(a) hereof, the aggregate number of Defaulted Shares that remains unpurchased does not exceed one-tenth of the aggregate number of the Shares to be purchased on such date, then the Company (and the Selling Stockholders, if applicable) shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at the Closing Date or Option Closing Date, as applicable, and, in addition, to require each non-defaulting Underwriter to purchase, *pro rata* (based on the number of Shares which such Underwriter agreed to purchase hereunder) the Defaulted Shares for which such arrangements have not been made; *provided*, that nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of Defaulted Shares by the Representatives or the Company (and the Selling Stockholders, if applicable) as provided above, the aggregate number of Defaulted Shares that remains unpurchased exceeds one-tenth of the aggregate number of the Shares to be purchased on the Closing Date or Option Closing Date, as applicable, or if the Company (and the Selling Stockholders, if applicable) shall not exercise the right described in Section 12(b) hereof to require the non-defaulting Underwriters to purchase the Defaulted Shares, then, with respect to the aggregate number of the Shares to be purchased on the Closing Date, this Agreement and, with respect to the aggregate number of the Shares to be purchased on the Option Closing Date, the obligations of the Underwriters to sell the Additional Shares shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company (and the Selling Stockholders, if applicable), except for expenses to be borne by the Company and the Underwriters as provided in Section 8 hereof and the indemnification and contribution agreements in Section 9 hereof; *provided*, that nothing herein shall relieve any defaulting Underwriter from liability for its default.

13. *Default by the Selling Stockholders.* If, on the Closing Date or an Option Closing Date, as applicable, one or more of the Selling Stockholders shall fail or refuse to sell and deliver the number of Shares that it has or they have agreed to sell hereunder on such date, then the Underwriters may, at the option of the Representatives, by notice from the Representatives to the Company, terminate this Agreement without liability on the fault of any non-defaulting party. In any such case, the Representatives, the Company or the Selling Stockholders shall have the right to postpone the Closing Date or Option Closing Date, as applicable, for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement, the Time of Sale Prospectus, the Prospectus and in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement, the Time of Sale Prospectus or the Prospectus which may thereby be made necessary. Any action taken under this Section 13 shall not relieve the defaulting Selling Stockholder from liability in respect of any default of the Selling Stockholder hereunder.

14. *Representations and Indemnities to Survive*. The respective agreements, representations, warranties, indemnities and other statements of the Company, the Selling Stockholders and the Underwriters set forth or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, any Selling Stockholder, the Company or any of the officers, directors, employees, agents or controlling persons referred to in Section 9 hereof, and will survive delivery of and payment for the Shares. The provisions of Sections 8 and 9 hereof shall survive the termination or cancellation of this Agreement.

15. *Entire Agreement; No Advisory or Fiduciary Relationship.*

(a) This Agreement, together with any contemporaneous written agreements and any prior written agreements (to the extent not superseded hereby) that relate to the Offering, represents the entire agreement between the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other hand, with respect to the preparation of any Preliminary Prospectus, the Time of Sale Prospectus, the Prospectus, the conduct of the Offering, and the purchase and sale of the Shares.

(b) The Company and the Selling Stockholders acknowledge that in connection with the Offering: (i) the Underwriters have acted at arm's length, are not agents of, and owe no fiduciary duties to, the Company, any Selling Stockholder or any other person; (ii) the Underwriters owe the Company and the Selling Stockholders only those duties and obligations set forth herein and in prior written agreements (to the extent not superseded hereby), if any; (iii) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the Offering, and each of the Company and the Selling Stockholders has consulted his, her or its respective legal, accounting, regulatory and tax advisors to the extent that he, she or it deemed appropriate; and (iv) the Underwriters may have interests that differ from those of the Company and the Selling Stockholders. Each of the Company and the Selling Stockholders waives to the fullest extent permitted by applicable law any claims it may have against the Underwriters arising from an alleged breach of fiduciary duty in connection with the Offering.

16. *Intended Beneficiaries*. This Agreement shall inure to the benefit of and be binding upon the Underwriters, the Company and the Selling Stockholders and their respective successors. No purchaser of Shares from any Underwriter shall be deemed to be a successor by reason merely of such purchase. Nothing expressed or mentioned herein is intended or shall be construed to give any individual or entity, other than the Underwriters, the Company and the Selling Stockholders and their respective successors, and the controlling persons, affiliates, officers and directors referred to in Section 9 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement is intended to be for the sole and exclusive benefit of the Underwriters, the Company and the Selling Stockholders and their respective successors and said controlling persons, affiliates, officers and directors and their heirs and legal representatives, and for the benefit of no one else.

17. *Partial Unenforceability*. The invalidity or unenforceability of any Section, subsection, paragraph, clause or other provision hereof shall not affect the validity or enforceability of any other Section, subsection, paragraph, clause or other provision hereof. If any Section, subsection, paragraph, clause or other provision hereof is for any reason determined to be invalid or unenforceable, then there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make the remainder of this Agreement valid and enforceable.

18. *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

19. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

20. *TRIAL BY JURY.* THE COMPANY (ON ITS BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS SUBSIDIARIES, STOCKHOLDERS AND AFFILIATES), EACH OF THE SELLING STOCKHOLDERS AND EACH OF THE UNDERWRITERS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

21. *Headings*. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part hereof.

22. *Notices.* All communications hereunder shall be in writing and effective only upon receipt and shall be delivered, mailed or sent to the parties as follows:

(a) If to the Underwriters, to:

Robert W. Baird & Co. Incorporated
Attention: Syndicate Department
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202
Fax: (414) 298-7474

with a copy to:

Robert W. Baird & Co. Incorporated
Attention: Legal Department
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202
Fax: (414) 298-7800

and:

Raymond James & Associates, Inc.
Attention: Equity Syndicate Desk
880 Carillon Parkway St.
Petersburg, Florida 33716
Fax: (866) 597-4039

with a copy to:

Raymond James & Associates, Inc.
Attention: John Critchlow, ECM Legal
880 Carillon Parkway St.
Petersburg, Florida 33716
Fax: (727) 567-8247

and:

Stephens Inc.
Attention: Nick Beare
300 Crescent Court, Suite 600
Dallas, Texas 75201
(214) 258-2700

with a copy to:

Stephens Inc.
Attention: Legal Dept.
111 Center Street
Little Rock, Arkansas 72201
Fax: [●]

(b) If to the Company, to:

Construction Partners, Inc.
Attention: R. Alan Palmer
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
Fax: [●]

with a copy to:

Akin Gump Strauss Hauer & Feld LLP
Attention: Garrett A. DeVries
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Email: gdevries@akingump.com

(c) If to the Selling Stockholders, to:

[●]
[●]
[●]
Fax: [●]

[Signature page follows]

Very truly yours,

CONSTRUCTION PARTNERS, INC.

By: _____
Name:
Title:

[SELLING STOCKHOLDERS]

By: _____
Name:
Title:

Accepted as of the date hereof

ROBERT W. BAIRD & CO. INCORPORATED
RAYMOND JAMES & ASSOCIATES, INC.
STEPHENS INC.

Acting severally on behalf of themselves and the
several Underwriters named in Schedule I hereto

By: Robert W. Baird & Co. Incorporated

By: _____
Name:
Title:

Accepted as of the date hereof

ROBERT W. BAIRD & CO. INCORPORATED
RAYMOND JAMES & ASSOCIATES, INC.
STEPHENS INC.

Acting severally on behalf of themselves and the
several Underwriters named in Schedule I hereto

By: Raymond James & Associates, Inc.

By: _____
Name:
Title:

[Signature Page to Underwriting Agreement]

Accepted as of the date hereof

ROBERT W. BAIRD & CO. INCORPORATED
RAYMOND JAMES & ASSOCIATES, INC.
STEPHENS INC.

Acting severally on behalf of themselves and the
several Underwriters named in Schedule I hereto

By: Stephens Inc.

By: _____
Name:
Title:

[Signature Page to Underwriting Agreement]

SCHEDULE I

Underwriter	Number of Firm Shares To Be Purchased	Number of Additional Shares To Be Purchased
Robert W. Baird & Co. Incorporated	[●]	[●]
Raymond James & Associates, Inc.	[●]	[●]
Stephens Inc.	[●]	[●]
Imperial Capital, LLC	[●]	[●]
D.A. Davidson & Co.		
Total:	[●]	[●]

SCHEDULE II

Selling Stockholder	Number of Firm Shares To Be Sold	Number of Additional Shares To Be Sold
[●]	[●]	[●]
Total:	[●]	[●]

SCHEDULE III

Time of Sale Prospectus

1. Preliminary Prospectus, dated [●], 2018.

2. [Permitted free writing prospectuses filed by the Company under Rule 433(d) under the Securities Act.]

3. [Bona fide electronic road show.]

4. [Orally communicated pricing information to be included below on this Schedule III if a final term sheet is not used, including the following:

   Number of Firm Shares to be Sold by the Company: [●];
   Number of Firm Shares to be Sold by the Selling Stockholders: [●];
   Number of Additional Shares Subject to Option: [●]; and
   Initial Price to the Public: $[●] per share.]

EXHIBIT A

FORM OF LOCK-UP LETTER TO BE SIGNED BY DIRECTORS, OFFICERS AND CERTAIN STOCKHOLDERS PURSUANT TO SECTION 5(h)

[●], 2018

ROBERT W. BAIRD & CO. INCORPORATED
RAYMOND JAMES & ASSOCIATES, INC.
STEPHENS INC.
As Representatives of the several Underwriters
c/o Robert W. Baird & Co. Incorporated
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Ladies and Gentlemen:

The undersigned understands that Robert W. Baird & Co. Incorporated ("***Baird***"), Raymond James & Associates, Inc. and Stephens Inc., as representatives (collectively, the "***Representatives***"), propose to enter into an underwriting agreement (the "***Underwriting Agreement***"), on behalf of the several underwriters named in Schedule I thereto (collectively, the "***Underwriters***"), with Construction Partners, Inc., a Delaware corporation (the "***Company***"), and the selling stockholders named in Schedule II thereto (collectively, the "***Selling Stockholders***"), providing for the public offering (the "***Offering***") of the Company's Class A common stock, par value $0.001 per share ("***Class A Common Stock***"), pursuant to a Registration Statement on Form S-1 to be filed with the Securities and Exchange Commission (the "***SEC***").

To induce the Underwriters to continue their efforts in connection with the Offering, the undersigned hereby agrees that, during the period commencing on the date hereof and ending 180 days after the date of the final prospectus relating to the Offering (the "***Restricted Period***"), the undersigned shall not, without the prior written consent of Baird: (1) directly or indirectly offer, sell, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, lend, or otherwise transfer or dispose of, or establish or increase any "put equivalent position" or liquidate or decrease any "call equivalent position" (each within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***")) with respect to any shares of Class ACommon Stock, any options or warrants to purchase Class A Common Stock or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, Class A Common Stock, whether now owned or hereafter acquired; (2) enter into any swap, forward contract, hedging transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Class A Common Stock, whether any such transaction described in clause (1) or this clause (2) is to be settled by delivery of Class A Common Stock or such other securities, in cash or otherwise; (3) file or approve the filing of any registration statement with the SEC relating to the offering of any Class A Common Stock or securities convertible into or exercisable or exchangeable for Class ACommon Stock, or make any demand for or exercise any right with respect to the registration of any Class A Common Stock or the filing of any registration statement with respect thereto; or (4) publicly disclose or announce an intention to effect any transaction specified in clause (1), (2) or (3). The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer by the undersigned of Class A Common Stock other than in compliance with this lock-up agreement (this "***Agreement***").

The foregoing restrictions shall not apply to: (a) sales of Class A Common Stock in the Offering; (b) sales of Class A Common Stock or other securities acquired in open market transactions after the completion of the Offering, *provided* that no public announcement or filing under Section 16(a) of the Exchange Act shall be required or voluntarily made in connection therewith; (c) transfers of Class A Common Stock or securities convertible into or exercisable or exchangeable for Class A Common Stock (including, but not limited to, the Company's Class B common stock, par value $0.001 per share ("***Class B Common Stock***" and, together with Class A Common Stock, "***Common Stock***") as *bona fide* gifts; (d) transfers of Common Stock or securities convertible into or exercisable or exchangeable for Class A Common Stock (including, but not limited to, Class B Common Stock) by will or estate or intestate succession to the undersigned's immediate family, or to a trust, the beneficiaries of which are exclusively the undersigned or members of the undersigned's immediate family; (e) transfers or distributions of Class A Common Stock or securities convertible into or exercisable or exchangeable for Class A Common Stock (including, but not limited to, Class B Common Stock) to limited partners, members, subsidiaries, stockholders or affiliates of, or investment funds or other entities controlled or managed by, the undersigned, to the extent the undersigned is a partnership, limited liability company or corporation; (f) the exercise of options to purchase Common Stock or the vesting, award, delivery or settlement of Common Stock and the receipt by the undersigned from the Company of Common Stock thereunder, in each case pursuant to the Company's stock option or equity-based compensation plans that are described in the prospectus related to the Offering, and sales of such Common Stock in transactions exempt from Section 16(b) of the Exchange Act that are issued upon such exercise, vesting, delivery, award, settlement or receipt in order to pay or provide for any taxes due on such exercise, vesting, award, delivery, settlement or receipt or to pay the exercise price therefor, *provided* that the Common Stock received upon such exercise, vesting, award, delivery or settlement shall be subject to the restrictions set forth in this Agreement, and *provided further* that no public announcement or filing under Section 16(a) of the Exchange Act reporting a reduction in beneficial ownership of Common Stock shall be required or voluntarily made during the Restricted Period; (g) if then permitted by the Company, the establishment of a trading plan that satisfies the requirements of Rule 10b5-1 under the Exchange Act relating to sales by the undersigned of Class A Common Stock, *provided* that no Class A Common Stock may be sold pursuant to such trading plan during the Restricted Period, and *provided further* that no public announcement or filing under the Exchange Act regarding the establishment of such trading plan shall be required or voluntarily made by the undersigned or the Company during the Restricted Period; (h) the contribution, transfer, sale or distribution of shares of securities of the Company (including Common Stock) necessary to effectuate the Reclassification described in the prospectus relating to the Offering, *provided* that any such contribution, transfer, sale or distribution pursuant to this clause (h) occurs prior to the consummation of the Offering, and *provided further* that any contributee, transferee, purchaser or distributee (other than the Company) signs and delivers a lock-up letter substantially in the form of this Agreement for the balance of the Restricted Period; or (i) sales or transfers pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of Class A Common Stock and involving a Change of Control of the Company, *provided* that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the Class A Common Stock owned by the undersigned shall remain subject to the restrictions contained in this Agreement. For purposes of clause (i) in the preceding sentence, "***Change of Control***" shall mean the consummation of any bona fide third-party tender offer, merger, consolidation or other similar transaction the result or which is that any "person" (as defined in Section 13(d)(3) of the Exchange Act) or group of persons becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of more than 50% of the total voting power of the Company's voting

stock. In the case of clause (c), (d) or (e) above: (i) each donee, heir, legatee, trustee, distributee, transferee or recipient shall sign and deliver an agreement substantially in the form of this Agreement for the balance of the Restricted Period; (ii) such transfer shall not involve a transfer for value; and (iii) no public announcement or filing under Section 16(a) of the Exchange Act shall be required or voluntarily made during the Restricted Period.

The undersigned understands that, if the undersigned is a director or officer of the Company: (1) this Agreement shall be applicable to any Company-directed shares that the undersigned may purchase in the Offering; (2) the Representatives shall notify the Company at least three business days before the effective date of any release or waiver of the restrictions set forth in this Agreement; (3) the Company shall promptly announce such impending release or waiver by a press release through a major news service; and (4) such release or waiver shall only be effective two business days after the publication date of such press release.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Agreement and that, upon request, the undersigned will execute any additional documents necessary to ensure the validity or enforcement of this Agreement. The undersigned further understands that this Agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns.

The undersigned understands that the Company and the Underwriters are relying upon this Agreement in proceeding toward consummation of the Offering. Whether or not the Offering actually occurs depends on a number of factors, including market conditions. The Offering will only be made pursuant to the Underwriting Agreement, the terms of which remain subject to negotiation between the Company and the Underwriters.

This Agreement shall terminate and be of no further force and effect if: (i) the Company notifies the Representatives and the Selling Stockholders in writing that it does not intend to proceed with the Offering; (ii) the Representatives notify the Company and the Selling Stockholders in writing that they do not intend to proceed with the Offering; (iii) the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Class A Common Stock to be sold thereunder; or (iv) the Offering is not completed on or before September 30, 2018.

[*Signature Page Follows*.]

Very truly yours,

(Signature)

(Name)

(Address)

[Signature Page to Lock-Up Agreement]

Exhibit 3.2

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

CONSTRUCTION PARTNERS, INC.

Construction Partners, Inc., a corporation organized and existing under the laws of the State of Delaware, DOES HEREBY CERTIFY AS FOLLOWS:

1. The name of the Corporation is "Construction Partners, Inc.". The Corporation was originally incorporated under the name "SunTx CPI Growth Company, Inc.", and the original certificate of incorporation was filed with the Secretary of State of the State of Delaware on April 25, 2007.

2. This Amended and Restated Certificate of Incorporation ("***Certificate***") was duly adopted by the board of directors and the stockholders of the Corporation in accordance with Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware (the "***DGCL***").

3. This Certificate restates, integrates and further amends the provisions of the certificate of incorporation of the Corporation.

4. The text of the certificate of incorporation is hereby restated and amended to read in its entirety as follows:

ARTICLE I
NAME

The name of the corporation is Construction Partners, Inc. (the "***Corporation***").

ARTICLE II
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "***DGCL***").

ARTICLE III
REGISTERED AGENT

The street address of the registered office of the Corporation in the State of Delaware is 615 South Dupont Highway, Dover, Delaware 19901, County of Kent, and the name of the Corporation's registered agent at such address is Capitol Services, Inc.

ARTICLE IV
CAPITALIZATION

Section 4.1 Authorized Capital Stock.

The total number of shares of capital stock that the Corporation is authorized to issue is 510,000,000 shares, divided into three classes consisting of (a) 400,000,000 shares of Class A common stock, par value $0.001 per share ("***Class A Common Stock***"); (b) 100,000,000 shares of Class B common stock, par value $0.001 per share ("***Class B Common Stock***" and, together with Class A Common Stock, the "***Common Stock***"); and (c) 10,000,000 shares of preferred stock, par value $0.001 per share ("***Preferred Stock***").

The number of authorized shares of Preferred Stock or either class of Common Stock may be increased or decreased (but not below the number of shares thereof then-outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of either the Preferred Stock or either class of Common Stock voting separately as a class shall be required therefor, unless a vote of any such holder is required pursuant to this Certificate (including any certificate of designation relating to any series of Preferred Stock).

Upon the effectiveness of this Certificate pursuant to the DGCL (the "***Effective Time***"), each share of common stock, par value $0.001 per share, of the Corporation either issued and outstanding or held by the Corporation in treasury stock immediately prior to the Effective Time shall, automatically and without any action on the part of the respective holders thereof, be reclassified and changed into 25.2 shares of Class B Common Stock with such shares having all the rights and privileges of Class B Common Stock as set forth in this Certificate (the "***Stock Reclassification***"). No fractional shares shall be issued in connection with the Reclassification. Stockholders who otherwise would be entitled to receive fractional shares of Class B Common Stock shall be entitled to receive cash (without interest or deduction) from the Corporation's transfer agent in lieu of such fractional shares interests upon the submission of a transmission letter by a stockholder holding the shares in book-entry form and, where shares are held in certificated form, upon the surrender of the stockholder's Old Certificates (as defined below), in an amount equal to the fair market value of such shares of Class B Common Stock, as determined by the Board of Directors in its sole discretion. Each certificate that immediately prior to the Effective Time represented shares of common stock, par value $0.001 per share, of the Corporation ("***Old Certificates***") shall thereafter represent that number of shares of Class B Common Stock into which the shares of common stock, par value $0.001 per share of the Corporation represented by the Old Certificate shall have been reclassified, subject to the elimination of fractional share interests as described above.

Section 4.2 Common Stock.

(a) *Voting Rights*.

1. Except as otherwise provided in this Certificate or otherwise required by applicable law, the holders of shares of Class A Common Stock and Class

B Common Stock shall at all times vote together as one class on all matters (including the election of directors) submitted to a vote or to be acted on by consent of the stockholders of the Corporation.

2. Each holder of Class A Common Stock shall be entitled to one vote for each share of Class A Common Stock held as of the applicable record date on any matter that is submitted to a vote or to be acted on by consent of the stockholders of the Corporation.

3. Except as otherwise provided in this Certificate or otherwise required by applicable law, each holder of Class B Common Stock shall be entitled to ten votes for each share of Class B Common Stock held as of the applicable date on any matter that is submitted to a vote or to be acted on by consent of the stockholders of the Corporation.

(b) *Dividends*. Subject to the preferences applicable to any series of Preferred Stock, if any, outstanding at any time, the holders of Class A Common Stock and the holders of Class B Common Stock shall be entitled to share equally, on a per share basis, in such dividends and other distributions of cash, property or shares of stock of the Corporation as may be declared by the board of directors of the Corporation (the "***Board***") from time to time with respect to the Common Stock out of assets or funds of the Corporation legally available therefor; provided, however, that in the event that such dividend is paid in the form of shares of Common Stock or rights to acquire Common Stock, the holders of Class A Common Stock shall receive Class A Common Stock or rights to acquire Class A Common Stock, as the case may be, and the holders of Class B Common Stock shall receive Class B Common Stock or rights to acquire Class B Common Stock, as the case may be. Notwithstanding the foregoing, the Board may pay or make a disparate dividend or distribution per share of Class A Common Stock or Class B Common Stock (whether in the amount of such dividend or distribution payable per share, the form in which such dividend or distribution is payable, the timing of the payment, or otherwise) if such disparate dividend or distribution is approved in advance by the affirmative vote (or written consent) of the holders of a majority of the outstanding shares of Class A Common Stock and Class B Common Stock, each voting separately as a class.

(c) *Liquidation*. Subject to the preferences applicable to any series of Preferred Stock, if any, outstanding at any time, in the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Corporation, all assets of the Corporation of whatever kind available for distribution to the holders of Common Stock shall be divided among and paid ratably to the holders of the Class A Common Stock and the Class B Common Stock treated as a single class unless disparate or different treatment of the shares of each such class with respect to distributions upon any such liquidation, dissolution, distribution of assets or winding up is approved in advance by the affirmative vote (or written consent) of the holders of a majority of the outstanding shares of Class A Common Stock and Class B Common Stock, each voting separately as a class.

(d) *Subdivision or Combination*. If the Corporation in any manner subdivides or combines the outstanding shares of one class of Common Stock, the outstanding shares of the other class of Common Stock will be subdivided or combined in the same manner; provided,

however, that shares of one such class of Common Stock may be subdivided or combined in a different or disproportionate manner if such subdivision or combination is approved in advance by the affirmative vote (or written consent) of the holders of a majority of the outstanding shares of Class A Common Stock and Class B Common Stock, each voting separately as a class.

(e) *Equal Status*. Except as expressly provided in this Article IV, Class A Common Stock and Class B Common Stock shall have the same rights and privileges and rank equally (including as to dividends and distributions, and upon any liquidation, dissolution, distribution of assets or winding up of the Corporation), share ratably and be identical in all respects as to all matters.

(f) *Conversion of Class B Common Stock.*

1. Voluntary Conversion. Each share of Class B Common Stock shall be convertible into one fully paid and nonassessable share of Class A Common Stock at the option of the holder thereof. Before any holder of Class B Common Stock shall be entitled voluntarily to convert any shares of such Class B Common Stock, such holder shall surrender the certificate or certificates therefor (if any), duly endorsed, at the principal corporate office of the Corporation or of any transfer agent for the Class B Common Stock, and shall give written notice to the Corporation at its principal corporate office of the election to convert the same and shall state therein the name or names (a) in which the certificate or certificates representing the shares of Class A Common Stock into which the shares of Class B Common Stock are so converted are to be issued if such shares are certificated or (b) in which such shares are to be registered in book entry if such shares are uncertificated. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Class B Common Stock, or to the nominee or nominees of such holder, a certificate or certificates representing the number of shares of Class A Common Stock to which such holder shall be entitled as aforesaid (if such shares are certificated) or, if such shares are uncertificated, register such shares in book-entry form. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Class B Common Stock to be converted following or contemporaneously with the written notice of such holder's election to convert, and the person or persons entitled to receive the shares of Class A Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Class A Common Stock as of such date. Each share of Class B Common Stock that is converted pursuant to this Section 4.2(f)(1) shall be retired by the Corporation and shall not be available for reissuance.

2. Automatic Conversion. (a) Each share of Class B Common Stock shall automatically, without further action by the holder thereof, be converted into one fully paid and nonassessable share of Class A Common Stock upon the occurrence of a Transfer (as defined below), other than a

Permitted Transfer (as defined below), of such share of Class B Common Stock, and (b) all shares of Class B Common Stock shall automatically, without further action by any holder thereof, be converted into an identical number of shares of fully paid and nonassessable Class A Common Stock upon the affirmative vote (or written consent) of the holders of a majority of the then-outstanding shares Class B Common Stock, voting as a separate class (the occurrence of an event described in clause (a) or (b) of this Section 4.2(f)(2), a "***Conversion Event***"). Each outstanding stock certificate that, immediately prior to a Conversion Event, represented one or more shares of Class B Common Stock subject to such Conversion Event shall, upon such Conversion Event, be deemed to represent an equal number of shares of Class A Common Stock, without the need for surrender or exchange thereof. The Corporation, or any transfer agent of the Corporation, shall, upon the request of any holder whose shares of Class B Common Stock have been converted into shares of Class A Common Stock as a result of a Conversion Event and upon surrender by such holder to the Corporation of the outstanding certificate(s) formerly representing such holder's shares of Class B Common Stock (if any), issue and deliver to such holder certificate(s) representing the shares of Class A Common Stock into which such holder's shares of Class B Common Stock were converted as a result of such Conversion Event (if such shares are certificated) or, if such shares are uncertificated, register such shares in book-entry form. Each share of Class B Common Stock that is converted pursuant to this Section 4.2(f)(2) shall thereupon be retired by the Corporation and shall not be available for reissuance.

3. The Corporation may, from time to time, establish such policies and procedures, not in violation of applicable law or the other provisions of this Certificate, relating to the conversion of the Class B Common Stock into Class A Common Stock, as it may deem necessary or advisable in connection therewith. If the Corporation has a reasonable basis to believe that a Transfer giving rise to a conversion of shares of Class B Common Stock into Class A Common Stock has occurred but has not theretofore been reflected on the books of the Corporation, the Corporation may request in writing that the holder of such shares furnish affidavits or other reasonable evidence to the Corporation as the Corporation deems necessary to determine whether a conversion of shares of Class B Common Stock to Class A Common Stock has occurred and if such holder does not, within thirty days after receipt of such written request, furnish reasonable evidence to the Corporation to enable the Corporation to determine that no such conversion has occurred, any such shares of Class B Common Stock, to the extent not previously converted, shall be automatically converted into shares of Class A Common Stock and the same shall thereupon be registered on the books and records of the Corporation. In connection with any action of stockholders taken at a meeting or by written consent, the stock ledger of the Corporation shall be presumptive evidence as to who are the stockholders entitled to vote in

person or by proxy at any meeting of stockholders or in connection with any such written consent and the class or classes or series of shares held by each such stockholder and the number of shares of each class or classes or series held by such stockholder.

4. Reservation of Stock. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of Class B Common Stock, such number of shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock into shares of Class A Common Stock.

5. Protective Provisions. The Corporation shall not, whether by merger, consolidation or otherwise, amend, alter, repeal or waive thisSection 4.2 (or adopt any provision inconsistent therewith) or effect any reclassification of the shares of Class A Common Stock or Class B Common Stock , unless such action is first approved by the affirmative vote (or written consent) of the holders of a majority of the then-outstanding shares of Class B Common Stock, voting as a separate class, in addition to any other vote required by applicable law, this Certificate or the Bylaws (as defined in Article V), and, to the fullest extent permitted by law, the holders of Class A Common Stock shall have no right to vote thereon.

(g) Definitions. For purposes of this Article IV:

1. "***Affiliate***" shall mean, with respect to any Person, any Person directly or indirectly controlling, controlled by or under common control with such Person, and shall include any principal, managing member, director, general partner, officer, employee or other representative of any of the foregoing (other than the Corporation and any entity that is controlled by the Corporation).

2. "***control***" (including the terms "controlled by" and "under common control with"), with respect to the relationship between or among two or more Persons, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, by contract or otherwise.

3. "***SunTx Permitted Holder***" shall mean SunTx Capital Management Corp. ("***SunTx***") and its Affiliates.

4. "***Permitted Transfer***" shall mean a Transfer by a holder of Class B Common Stock to any of the persons or entities listed below (each, a "***Permitted Transferee***") and from any such Permitted Transferee back to such holder of Class B Common Stock and/or any other Permitted Transferee established by or for such holder of Class B Common Stock:

(A) a broker or other nominee; provided that the transferor, immediately following such Transfer, retains (1) Voting Control, (2) control over the disposition of such shares, and (3) the economic consequences of ownership of such shares;

(B) by a holder of Class B Common Stock who is a natural person to any of the following Permitted Transferees:

(1) a trust for the benefit such holder or other persons so long as the holder (either alone or with any Family Member of such holder) retains: (i) Voting Control, (ii) control over the disposition of such shares, and (iii) such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such trust) to the holder; provided that in the event such holder (either alone or with any Family Member of such holder) no longer retains Voting Control and control over the disposition of the shares of Class B Common Stock held by such trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(2) a Family Member; provided such Transfer does not involve any payment of cash, securities, property or other consideration to the holder;

(3) a trust under the terms of which such holder has retained a "qualified interest" within the meaning of Section 2702(b)(1) of the Internal Revenue Code of 1986, as amended (the "***Internal Revenue Code***"), and/or a reversionary interest so long as the holder (either alone or with any Family Member of such holder) retains Voting Control and control over the disposition of the shares of Class B Common Stock held by such trust; provided, however, that in the event the holder (either alone or with any Family Member of such holder) no longer retains Voting Control and control over the disposition of the shares of Class B Common Stock held by such trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(4) an Individual Retirement Account, as defined in Section 408(a) of the Internal Revenue Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which such holder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Internal Revenue Code;

provided that in each case such holder (either alone or with any Family Member of such holder) retains Voting Control and control over the disposition of the shares of Class B Common Stock held in such account, plan or trust, and provided, further, that in the event the holder (either alone or with any Family Member of such holder) no longer retains Voting Control and control over the disposition of the shares of Class B Common Stock held by such account, plan or trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(5) a corporation, partnership or limited liability company in which such holder (either alone or with any Family Member of such holder) directly, or indirectly through one or more Permitted Transferees, owns shares, partnership interests or membership interests, as applicable, with sufficient Voting Control in the corporation, partnership or limited liability company, as applicable, or otherwise has legally enforceable rights, such that the holder (either alone or with any Family Member of such holder) retains Voting Control and control over the disposition of the shares of Class B Common Stock held by such corporation, partnership or limited liability company; provided that in the event the holder (either alone or with any Family Member of such holder) no longer owns sufficient shares, partnership interests or membership interests, as applicable, or no longer has sufficient legally enforceable rights to ensure the holder (either alone or with any Family Member of such holder) retains Voting Control and control over the disposition of the shares of Class B Common Stock held by such corporation, partnership or limited liability company, as applicable, each share of Class B Common Stock then held by such corporation, partnership or limited liability company, as applicable, shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock.

(B) a SunTx Permitted Holder; and

(C) any Person approved by a majority of the shares of Class B Common Stock held by SunTx and its Affiliates.

5. "***Family Member***" shall mean, with respect to any Class B Stockholder, (x) the spouse, and any parent, child, sibling, parent-in-law or child-in-law of such stockholder, (y) any individual who shares a home (other than a domestic employee) with such stockholder or (z) any lineal descendent (including by adoption) of any of the foregoing individuals.

6. "***Person***" shall mean any individual, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, unincorporated organization or other entity, whether domestic or foreign.

7. "***Transfer***" (including the term "***Transferred***") of a share of Class B Common Stock shall mean, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law (including by merger, consolidation or otherwise), including, without limitation, the transfer of, or entering into a binding agreement with respect to, Voting Control over such share, by proxy or otherwise. Notwithstanding the foregoing, the following shall not be considered a "Transfer" within the meaning of this Article IV:

   (i) the granting by a stockholder of a proxy to (y) officers or directors of the Corporation at the request of the Board, or (z) a representative of such stockholder, in connection with actions to be taken at an annual or special meeting of stockholders or in connection with any action by written consent of the stockholders;

   (ii) the pledge of shares of Class B Common Stock by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to exercise Voting Control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee shall constitute a "Transfer" unless such foreclosure or similar action qualifies as a "Permitted Transfer" at such time; or

   (iii) any change in the trustees or the Person(s) acting as a fiduciary with respect to a SunTx Permitted Holder having or exercising Voting Control over shares of Class B Common Stock of a SunTx Permitted Holder; provided that following such change such SunTx Permitted Holder continues to be a Permitted Holder.

8. "***Voting Control***" shall mean, with respect to a share of Class B Common Stock, the power (whether exclusive or shared) to vote or direct the voting of such share by proxy, voting agreement or otherwise.

Section 4.3 Preferred Stock.

(a) Shares of Preferred Stock may be issued in one or more series from time to time, with each such series to consist of such number of shares and to have such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated in the resolution or resolutions providing for the issuance of such series adopted by the Board and included in a certificate of designations (a "***Preferred Stock Designation***") filed

pursuant to the DGCL, and the Board is hereby expressly vested with the authority, to the full extent now or hereafter provided by law, to adopt any such resolution or resolutions. The authority of the Board with respect to each series of Preferred Stock shall include, but not be limited to, determination of the following:

1. the number of shares constituting that series and the distinctive designation of that series;

2. the dividend rate or rates on the shares of that series, the terms and conditions upon which and the periods in respect of which dividends shall be payable, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

3. whether that series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

4. whether that series shall have conversion privileges, and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board shall determine;

5. whether or not the shares of that series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in the event of redemption, which amount may vary under different conditions and at different redemption dates;

6. whether that series shall have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

7. the rights of the shares of that series in the event of voluntary or involuntary liquidation, distribution of assets, dissolution or winding up of the corporation, and the relative rights of priority, if any, of payment of shares of that series; and

8. any other relative rights, powers, and preferences, and the qualifications, limitations and restrictions thereof, of that series.

(b) Except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate (including any certificate of designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Certificate (including any certificate of designation relating to any series of Preferred Stock) or pursuant to the DGCL.

(c) Except as otherwise required by law, holders of any series of Preferred Stock shall be entitled to only such voting rights, if any, as shall expressly be granted thereto by this Certificate (including any certificate of designation relating to such series of Preferred Stock).

ARTICLE V
AMENDMENT OF THE CERTIFICATE OF INCORPORATION AND BYLAWS

Section 5.1 Notwithstanding anything contained in this Certificate to the contrary, once no shares of Class B Common Stock remain outstanding, the following provisions in this Certificate may be amended, altered, repealed or rescinded, in whole or in part, or any provision inconsistent therewith or herewith may be adopted, only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class: this Article V, Article VI, Article VII, Article VIII, Article IX and Article X. For the purposes of this Certificate, beneficial ownership of shares shall be determined in accordance with Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***") (except, for the avoidance of doubt, holders of Class B Common Stock will not be deemed to be beneficial owners of Class A Common Stock).

Section 5.2 The Board is expressly authorized to make, repeal, alter, amend and rescind, in whole or in part, the amended and restated bylaws of the Corporation (as in effect from time to time, the "***Bylaws***") without the assent or vote of the stockholders . For so long as shares of Class B Common Stock remain outstanding, the affirmative vote of the holders of a majority in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required in order for the stockholders of the Corporation to alter, amend, repeal or rescind, in whole or in part, any provision of the Bylaws or to adopt any provision inconsistent therewith. Notwithstanding anything to the contrary contained in this Certificate or any provision of law which might otherwise permit a lesser vote of the stockholders, once no shares of Class B Common Stock remain outstanding, in addition to any vote of the holders of any class or series of capital stock of the Corporation required herein (including any certificate of designation relating to any series of Preferred Stock), the Bylaws or applicable law, the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required in order for the stockholders of the Corporation to alter, amend, repeal or rescind, in whole or in part, any provision of the Bylaws or to adopt any provision inconsistent therewith.

ARTICLE VI
BOARD OF DIRECTORS

Section 6.1 Number, Election and Term.

(a) The number of directors constituting the Board shall be not fewer than one (1) and not more than fifteen (15). Subject to the previous sentence, the precise number of directors, other than those who may be elected by the holders of one or more series of Preferred Stock voting separately by class or series, shall be fixed from time to time exclusively pursuant to a resolution adopted by the Board.

(b) Subject to Section 6.4, the directors shall be divided with respect to the time for which they hold office into three classes, as nearly equal in number as possible and designated Class I, Class II and Class III. The initial division of the Board into classes shall be made by the

Board. The term of the initial Class I Directors shall expire at the first annual meeting of stockholders of the Corporation following the filing of this Certificate; the term of the initial Class II Directors shall expire at the second annual meeting of stockholders following the filing of this Certificate; and the term of the initial Class III Directors shall expire at the third annual meeting of stockholders following the filing of this Certificate. At each annual meeting of stockholders beginning with the first annual meeting of stockholders following the filing of this Certificate, successors to the class of directors whose term expires at that annual meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders to be held in the third year following the year of their election. Subject to Section 6.4, if the number of directors is changed, any increase or decrease shall be apportioned by the Board among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

(c) Subject to Section 6.4, a director shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor has been elected and qualified, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal.

(d) Unless and except to the extent that the By-Laws shall so require, the election of directors need not be by written ballot.

Section 6.2 Newly Created Directorships and Vacancies.

Subject to Section 6.4, newly created directorships resulting from an increase in the number of directors and any vacancies on the Board resulting from death, resignation, retirement, disqualification, removal or other cause may be filled by a majority vote of the directors then in office, even if less than a quorum, or by a sole remaining director or by the stockholders; *provided*, *however*, that once no shares of Class B Common Stock remain outstanding, any newly created directorships resulting from an increase in the number of directors and any vacancies on the Board resulting from death, resignation, retirement, disqualification, removal or other cause may be filled solely by a majority vote of the directors then in office, even if less than a quorum, or by a sole remaining director (and not by the stockholders). Any director so chosen shall hold office for the remainder of the full term of the class of directors to which the new directorship was added or in which the vacancy occurred and until his or her successor has been elected and qualified, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal.

Section 6.3 Removal.

Subject to Section 6.4, any or all of the directors may be removed from office at any time either with or without cause by the affirmative vote of a majority in voting power of all outstanding shares of stock of the Corporation entitled to vote thereon, voting as a single class; *provided*, *however*, that once no shares of Class B Common Stock remain outstanding, any such director or all such directors may be removed only for cause and only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class.

Section 6.4 Preferred Stock – Directors.

Notwithstanding any other provision of this Article VI, and except as otherwise required by law, whenever the holders of one or more series of Preferred Stock shall have the right, voting separately by class or series, to elect one or more directors, the term of office, the filling of vacancies, the removal from office and other features of such directorships shall be governed by the terms of such series of Preferred Stock as set forth in this Certificate (including any Preferred Stock Designation) and such directors shall not be included in any of the classes created pursuant to this Article VI unless expressly provided by such terms.

ARTICLE VII
CONSENT OF STOCKHOLDERS IN LIEU OF MEETING; SPECIAL MEETINGS OF STOCKHOLDERS

Section 7.1 Consent of Stockholders in Lieu of Meeting.

For as long as shares of Class B Common Stock remain outstanding, any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand, overnight courier or by certified or registered mail, return receipt requested. Once no shares of Class B Common Stock remain outstanding, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders; provided, however, that any action required or permitted to be taken by the holders of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable certificate of designation relating to such series of Preferred Stock.

Section 7.2 Special Meetings.

Except as otherwise required by law or the terms of any one or more series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board, Chief Executive Officer, or the Board; *provided*, *however*, that special meetings of the stockholders of the Corporation for any purpose or purposes shall also be called at the request of the holders of 25% of the Class B Common Stock. The ability of holders of Class A Common Stock to call a special meeting is hereby specifically denied.

ARTICLE VIII
LIMITATION OF DIRECTOR LIABILITY;
INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 8.1 Limitation of Director Liability.

To the fullest extent that the DGCL or any other law of the State of Delaware as the same exists or is hereafter amended permits the limitation or elimination of the liability of directors, no person who is or was a director of the Corporation shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director. Any repeal or amendment of this Section 8.1 by the stockholders of the Corporation or by changes in law, or the adoption of any other provision of this Certificate inconsistent with this Section 8.1 will, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to further limit or eliminate the liability of directors) and shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or amendment or adoption of such inconsistent provision with respect to acts or omissions occurring prior to such repeal or amendment or adoption of such inconsistent provision.

Section 8.2 Indemnification and Advancement of Expenses.

(a) To the fullest extent permitted by applicable law, as the same exists or may hereafter be amended, the Corporation shall indemnify and hold harmless each person who is or was made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***proceeding***") by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, other enterprise or nonprofit entity, including service with respect to an employee benefit plan (an "***indemnitee***"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent, or in any other capacity while serving as a director, officer, employee or agent, against all expenses, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection with such proceeding. The right to indemnification conferred by this Section8.2 shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any such proceeding in advance of its final disposition; provided, however, that, if the DGCL requires, an advancement of expenses shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of the indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the indemnitee is not entitled to be indemnified for the expenses under this Section 8.2 or otherwise. The rights to indemnification and advancement of expenses conferred by this Section 8.2 shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators. Notwithstanding the foregoing provisions of this Section 8.2, except for proceedings to enforce rights to indemnification and advancement of expenses, the Corporation shall indemnify and advance expenses to an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board.

(b) The rights to indemnification and advancement of expenses conferred on any indemnitee by this Section 8.2 shall not be exclusive of any other rights that any indemnitee may have or hereafter acquire under law, this Certificate, the By-Laws, an agreement, vote of stockholders or disinterested directors, or otherwise.

(c) Any repeal or amendment of this Section 8.2 by the stockholders of the Corporation or by changes in law, or the adoption of any other provision of this Certificate inconsistent with this Section 8.2, shall, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to provide broader indemnification rights on a retroactive basis than permitted prior thereto), and shall not in any way diminish or adversely affect any right or protection existing at the time of such repeal or amendment or adoption of such inconsistent provision in respect of any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

(d) This Section 8.2 shall not limit the right of the Corporation, to the extent and in the manner authorized or permitted by law, to indemnify and to advance expenses to persons other than indemnitees.

ARTICLE IX
COMPETITION AND CORPORATE OPPORTUNITIES

Section 9.1 In recognition and anticipation that (i) certain directors, principals, members, officers, associated funds, employees and/or other representatives of SunTx and its Affiliates (as defined below) may serve as directors, officers or agents of the Corporation, (ii) SunTx and its Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation, directly or indirectly, may engage, and (iii) members of the Board who are not employees of the Corporation ("***Non-Employee Directors***") and their respective Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation, directly or indirectly, may engage, the provisions of this Article IX are set forth to regulate and define the conduct of certain affairs of the Corporation with respect to certain classes or categories of business opportunities as they may involve any of SunTx, the Non-Employee Directors or their respective Affiliates and the powers, rights, duties and liabilities of the Corporation and its directors, officers and stockholders in connection therewith.

Section 9.2 None of (i) SunTx or any of its Affiliates or (ii) any Non-Employee Director or his or her Affiliates (the Persons (as defined below) identified in (i) and (ii) above being referred to, collectively, as "***Identified Persons***" and, individually, as an "***Identified Person***") shall, to the fullest extent permitted by law, have any duty to refrain from directly or indirectly (1) engaging in the same or similar business activities or lines of business in which the Corporation or any of its Affiliates now engages or proposes to engage or (2) otherwise competing with the Corporation or any of its Affiliates, and, to the fullest extent permitted by law, no Identified Person shall be liable to the Corporation or its stockholders or to any Affiliate of the Corporation for breach of any fiduciary duty solely by reason of the fact that such Identified Person engages in any such activities. To the fullest extent permitted by law, the Corporation hereby renounces any interest or expectancy in, or right to be offered an opportunity to participate in, any business opportunity which may be a corporate opportunity for an Identified Person and the Corporation or any of its Affiliates, except as provided in Section 9.4. Subject to said Section 9.4, in the event that any Identified Person acquires knowledge of a potential transaction or other matter or business opportunity which may be a corporate opportunity for itself, herself or himself and the Corporation or any of its Affiliates, such Identified Person shall, to the fullest extent permitted by law, have no fiduciary duty or other duty (contractual or otherwise) to communicate, present or offer such transaction or other business opportunity to the Corporation or any of its Affiliates and, to the fullest extent permitted by law, shall not be liable to the Corporation or its stockholders or to any Affiliate of the Corporation for breach of any fiduciary duty or other duty (contractual or otherwise) as a stockholder, director or officer of the Corporation solely by reason of the fact that such Identified Person pursues or acquires such corporate opportunity for itself, herself or himself, offers or directs such corporate opportunity to another Person, or does not present such corporate opportunity to the Corporation or any of its Affiliates.

Section 9.3 The Corporation and its Affiliates do not have any rights in and to the business ventures of any Identified Person, or the income or profits derived therefrom, and the Corporation agrees that each of the Identified Persons may do business with any potential or actual customer or supplier of the Corporation or may employ or otherwise engage any officer or employee of the Corporation.

Section 9.4 The Corporation does not renounce its interest in any corporate opportunity offered to any Non-Employee Director if such opportunity is expressly offered to such person in writing solely in his or her capacity as a director of the Corporation, and the provisions of Section 9.2 shall not apply to any such corporate opportunity.

Section 9.5 In addition to and notwithstanding the foregoing provisions of this Article IX, a corporate opportunity shall not be deemed to be a potential corporate opportunity for the Corporation if it is a business opportunity that (i) the Corporation is neither financially or legally able, nor contractually permitted to undertake, (ii) from its nature, is not in the line of the Corporation's business or is of no practical advantage to the Corporation or (iii) is one in which the Corporation has no interest or reasonable expectancy.

Section 9.6 For purposes of this Article IX, (i) "***Affiliate***" shall mean (a) in respect of SunTx, any Person that, directly or indirectly, is controlled by SunTx, controls SunTx or is under common control with SunTx and shall include any principal, member, director, partner, stockholder, officer, employee or other representative of any of the foregoing (other than the Corporation and any entity that is controlled by the Corporation), (b) in respect of a Non-Employee Director, any Person that, directly or indirectly, is controlled by such Non-Employee Director (other than the Corporation and any entity that is controlled by the Corporation) and (c) in respect of the Corporation, any Person that, directly or indirectly, is controlled by the Corporation; and (ii) "Person" shall mean any individual, corporation, general or limited partnership, limited liability company, joint venture, trust, association or any other entity.

Section 9.7 To the fullest extent permitted by law, any Person purchasing or otherwise acquiring any interest in any shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article IX. Neither the alteration, amendment, addition to or repeal of this Article IX, nor the adoption of any provision of this Certificate (including any certificate of designation relating to any series of Preferred Stock) inconsistent with this Article IX, shall eliminate or reduce the effect of this Article IX in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this Article IX, would accrue or arise, prior to such alteration, amendment, addition, repeal or adoption.

ARTICLE X
DGCL AND BUSINESS COMBINATIONS

Section 10.1 The Corporation hereby expressly elects not to be governed by Section 203 of the DGCL.

Section 10.2 Notwithstanding the foregoing, the Corporation shall not engage in any business combination (as defined below), at any point in time at which the Corporation's Class A Common Stock is registered under Section 12(b) or 12(g) of the Exchange Act, with any interested stockholder (as defined below) for a period of three (3) years following the time that such stockholder became an interested stockholder, unless:

(a) prior to such time, the Board approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

(b) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock (as defined below) of the Corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

(c) at or subsequent to such time, the business combination is approved by the Board and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 ⅔% of the outstanding voting stock of the Corporation which is not owned by the interested stockholder.

Section 10.3 For purposes of this Article X, references to:

(a) "***affiliate***" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another person.

(b) "***associate***," when used to indicate a relationship with any person, means: (i) any corporation, partnership, unincorporated association or other entity of which such person is a director, officer or partner or is, directly or indirectly, the owner of 20% or more of any class of voting stock; (ii) any trust or other estate in which such person has at least a 20% beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and (iii) any relative or spouse of such person, or any relative of such spouse, who has the same residence as such person.

(c) "***SunTx Direct Transferee***" means any person that acquires (other than in a registered public offering or through a broker's transaction executed on any securities exchange or other over-the-counter market) directly from SunTx or any of its affiliates or successors or any "group", or any member of any such group, of which such persons are a party under Rule 13d-5 of the Exchange Act beneficial ownership of 5% or more of the then-outstanding voting stock of the Corporation.

(d) "***SunTx Indirect Transferee***" means any person that acquires (other than in a registered public offering or through a broker's transaction executed on any securities exchange or other over-the-counter market) directly from any SunTx Direct Transferee or any other SunTx Indirect Transferee beneficial ownership of 5% or more of the then-outstanding voting stock of the Corporation.

(e) "***business combination***," when used in reference to the Corporation and any interested stockholder of the Corporation, means:

1. any merger or consolidation of the Corporation (other than a merger effected under Section 253 or Section 267 of the DGCL) or any direct or indirect majority-owned subsidiary of the Corporation (a) with the interested stockholder, or (b) with any other corporation, partnership, unincorporated association or other entity if the merger or consolidation is caused by the interested stockholder and as a result of such merger or consolidation Section 10.2 is not applicable to the surviving entity;

2. any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a stockholder of the Corporation, to or with the interested stockholder, whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation which assets have an aggregate market value equal to 10% or more of either the aggregate market value of all the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding stock of the Corporation;

3. any transaction which results in the issuance or transfer by the Corporation or by any direct or indirect majority-owned subsidiary of the Corporation of any stock of the Corporation or of such subsidiary to the interested stockholder, except: (a) pursuant to the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into stock of the Corporation or any such subsidiary which securities were outstanding prior to the time that the interested stockholder became such; (b) pursuant to a merger under Section 251(g) or Section 253 or Section 267 of the DGCL; (c) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into stock of the Corporation or any such subsidiary which security is distributed, pro rata to all holders of a class or series of stock of the Corporation subsequent to the time the interested stockholder became such; (d) pursuant to an exchange offer by the Corporation to purchase stock made on the same terms to all holders of said stock; or (e) any issuance or transfer of stock by the Corporation; provided, however, that in no case under items (c)-(e) of this Section 10.3(e)(3) shall there be an increase in the interested stockholder's proportionate share of the stock of any class or series of the Corporation or of the voting stock of the Corporation (except as a result of immaterial changes due to fractional share adjustments);

4. any transaction involving the Corporation or any direct or indirect majority-owned subsidiary of the Corporation which has the effect, directly or indirectly, of increasing the proportionate share of the stock of any class or series, or securities convertible into the stock of any class or series, of the Corporation or of any such subsidiary which is owned by the interested stockholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares of stock not caused, directly or indirectly, by the interested stockholder; or

5. any receipt by the interested stockholder of the benefit, directly or indirectly (except proportionately as a stockholder of the Corporation), of any loans, advances, guarantees, pledges, or other financial benefits (other than those expressly permitted in Sections 10.3(e)(1)-(4) above) provided by or through the Corporation or any direct or indirect majority-owned subsidiary.

(f) "***control***," including the terms "***controlling***," "***controlled by***" and "***under common control with***," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting stock, by contract, or otherwise. A person who is the owner of 20% or more of the outstanding voting stock of the Corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary. Notwithstanding the foregoing, a presumption of control shall not apply where such person holds voting stock, in good faith and not for the purpose of circumventing this Article X, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group have control of such entity.

(g) "***interested stockholder***" means any person (other than the Corporation or any direct or indirect majority-owned subsidiary of the Corporation) that (i) is the owner of 15% or more of the outstanding voting stock of the Corporation, or (ii) is an affiliate or associate of the Corporation and was the owner of 15% or more of the outstanding voting stock of the Corporation at any time within the three (3) year period immediately prior to the date on which it is sought to be determined whether such person is an interested stockholder, and the affiliates and associates of such person; provided, however, that "interested stockholder" shall not include or be deemed to include, in any case, (a) SunTx, any SunTx Direct Transferee, any SunTx Indirect Transferee or any of their respective affiliates or successors or any "group", or any member of any such group, to which such persons are a party under Rule 13d-5 of the Exchange Act, or (b) any person whose ownership of shares in excess of the 15% limitation set forth herein is the result of any action taken solely by the Corporation, provided further that such person shall be an interested stockholder if thereafter such person acquires additional shares of voting stock of the Corporation, except as a result of further corporate action not caused, directly or indirectly, by such person. For the purpose of determining whether a person is an interested stockholder, the voting stock of the Corporation deemed to be outstanding shall include stock deemed to be owned by the person through application of the definition of "owner" below but shall not include any other unissued stock of the Corporation which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(h) "***owner***," including the terms "***own***" and "***owned***," when used with respect to any stock, means a person that individually or with or through any of its affiliates or associates:

1. beneficially owns such stock, directly or indirectly; or

2. has (a) the right to acquire such stock (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the owner of

stock tendered pursuant to a tender or exchange offer made by such person or any of such person's affiliates or associates until such tendered stock is accepted for purchase or exchange; or (b) the right to vote such stock pursuant to any agreement, arrangement or understanding; provided, however, that a person shall not be deemed the owner of any stock because of such person's right to vote such stock if the agreement, arrangement or understanding to vote such stock arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to ten (10) or more persons; or

3. has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in item (b) of Section 10.3(h)(2) above), or disposing of such stock with any other person that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such stock.

(i) "***person***" means any individual, corporation, partnership, unincorporated association or other entity.

(j) "***stock***" means, with respect to any corporation, capital stock and, with respect to any other entity, any equity interest.

(k) "***voting stock***" means stock of any class or series entitled to vote generally in the election of directors.

ARTICLE XI
FORUM FOR ADJUDICATION OF DISPUTES

Section 11.1 Exclusive Forum.

Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, or (iv) any action asserting a claim governed by the internal affairs doctrine shall be a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware), provided in each such case that such court has personal jurisdiction over the indispensible parties named as defendants.

Section 11.2 Stockholder Consent to Personal Jurisdiction.

If any action the subject matter of which is within the scope of Section 11.1 above is filed in a court other than a court located within the State of Delaware (a "***Foreign Action***") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce Section 11.1 above (an "***FSC Enforcement Action***") and (ii) having service of process made upon such stockholder in any such FSC Enforcement Action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

IN WITNESS WHEREOF, Construction Partners, Inc. has caused this Certificate to be duly executed in its name and on its behalf by its Chief Executive Officer this day of , 2018.

Construction Partners, Inc.

By: _____
Name: Charles E. Owens
Title: President, Chief Executive Officer and Director

Exhibit 3.4

AMENDED AND RESTATED

BY-LAWS

OF

Construction Partners, Inc.

a Delaware corporation

(the "***Corporation***")

(Adopted as of [_____], 2018)

AMENDED AND RESTATED
BY-LAWS

OF

CONSTRUCTION PARTNERS, INC.

ARTICLE I
OFFICES

Section 1.1 Registered Office. The registered office of the Corporation within the State of Delaware shall be located at either (a) the principal place of business of the Corporation in the State of Delaware or (b) the office of the corporation or individual acting as the Corporation's registered agent in Delaware.

Section 1.2 Additional Offices. The Corporation may, in addition to its registered office in the State of Delaware, have such other offices and places of business, both within and outside the State of Delaware, as the Board of Directors of the Corporation (the "***Board***") may from time to time determine or as the business and affairs of the Corporation may require.

ARTICLE II
STOCKHOLDERS MEETINGS

Section 2.1 Annual Meetings. The annual meeting of stockholders shall be held at such place and time and on such date as shall be determined by the Board and stated in the notice of the meeting, provided that the Board may in its sole discretion determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication pursuant to Section 9.5(a). At each annual meeting, the stockholders shall elect directors of the Corporation and may transact any other business as may properly be brought before the meeting.

Section 2.2 Special Meetings. Except as otherwise required by applicable law or provided in the Corporation's Amended and Restated Certificate of Incorporation, as the same may be amended or restated from time to time (the "***Certificate of Incorporation***"), special meetings of stockholders, for any purpose or purposes, may be called only by the Chairman of the Board, Chief Executive Officer, or the Board; *provided*, *however*, that at any time when shares of Class B Common Stock remain outstanding, special meetings of the stockholders of the Corporation for any purpose or purposes shall also be called at the request of stockholders as, and to the extent, provided in the Certificate of Incorporation. Special meetings of stockholders shall be held at such place and time and on such date as shall be determined by the Board and stated in the Corporation's notice of the meeting, provided that the Board may in its sole discretion determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication pursuant to Section 9.5(a).

Section 2.3 Notices. Notice of each stockholders meeting stating the place, if any, date and time of the meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and the record date for determining the stockholders entitled to vote at the meeting if such date is different from the record date for determining stockholders entitled to notice of the meeting shall

be given in the manner permitted by Section 9.3 to each stockholder entitled to vote thereat as of the record date for determining the stockholders entitled to notice of the meeting. Such notice shall be given by the Corporation not less than 10 nor more than 60 days before the date of the meeting. If said notice is for a stockholders meeting other than an annual meeting, it shall in addition state the purpose or purposes for which the meeting is called, and the business transacted at such meeting shall be limited to the matters so stated in the Corporation's notice of meeting (or any supplement thereto). Any meeting of stockholders as to which notice has been given may be postponed, and any special meeting of stockholders as to which notice has been given may be cancelled, by the Board upon public announcement (as defined in Section 2.7(c)) given before the date previously scheduled for such meeting; *provided*, *however*, that with respect to any special meeting of stockholders previously scheduled by the Board or the Chairman of the Board at the request of stockholders of the Corporation in accordance with the Certificate of Incorporation, the Board of Directors shall not postpone, reschedule or cancel such special meeting without the prior written consent of the stockholders who requested such meeting.

Section 2.4 Quorum. Except as otherwise provided by applicable law, the Certificate of Incorporation or these By-Laws, the presence, in person or by proxy, at a stockholders meeting of the holders of shares of outstanding capital stock of the Corporation representing a majority of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote at such meeting shall constitute a quorum for the transaction of business at such meeting, except that when specified business is to be voted on by a class or series of stock voting as a class, the holders of shares representing a majority of the voting power of the outstanding shares of such class or series shall constitute a quorum of such class or series for the transaction of such business. If a quorum shall not be present or represented by proxy at any meeting of the stockholders, the chairman of the meeting may adjourn the meeting from time to time in the manner provided in Section 2.6 until a quorum shall attend. The stockholders present at a duly convened meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the voting power of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any such other corporation to vote shares held by it in a fiduciary capacity.

Section 2.5 Voting of Shares.

(a) Voting Lists. The Corporation shall prepare at least 10 days before every meeting of stockholders, a complete list of the stockholders of record entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order for each class of stock and showing the address and the number of shares registered in the name of each stockholder. Nothing contained in this Section 2.5(a) shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible

electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. If the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be examined by any stockholder who is present. If a meeting of stockholders is to be held solely by means of remote communication as permitted by Section 9.5(a), then such list shall be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of meeting. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list required by this Section 2.5(a) or to vote in person or by proxy at any meeting of stockholders. For purposes of these By-Laws, "***stock ledger***" shall have the definition set forth in Section 219 of the DGCL (as defined below).

(b) Manner of Voting. At any stockholders meeting, every stockholder entitled to vote may vote in person or by proxy. In the case any matter is voted upon by written ballot, if authorized by the Board, the requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission (as defined in Section 9.3), provided that any such electronic transmission must either set forth or be submitted with information from which the Corporation can determine that the electronic transmission was authorized by the stockholder or proxyholder. The Board, in its discretion, or the chairman of the meeting of stockholders, in such person's discretion, may require that any votes cast at a meeting shall be cast by written ballot.

(c) Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. Proxies need not be filed with the Secretary of the Corporation until the meeting is called to order, but shall be filed with the Secretary before being voted. Without limiting the manner in which a stockholder may authorize another person or persons to act for such stockholder as proxy, either of the following shall constitute a valid means by which a stockholder may grant such authority.

(i) A stockholder may execute a writing authorizing another person or persons to act for such stockholder as proxy. Execution may be accomplished by the stockholder or such stockholder's authorized officer, director, employee or agent signing such writing or causing such person's signature to be affixed to such writing by any reasonable means, including, but not limited to, by facsimile signature.

(ii) A stockholder may authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder.

Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission authorizing another person or persons to act as proxy for a stockholder may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

(d) Required Vote. Subject to the rights of the holders of one or more series of preferred stock of the Corporation ("***Preferred Stock***"), voting separately by class or series, to elect directors pursuant to the terms of one or more series of Preferred Stock, the election of directors shall be determined by a plurality of the votes cast by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon. With respect to all other matters, the affirmative vote of a majority of the votes cast (affirmatively or negatively) by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon shall be sufficient to approve all other matters, unless the matter is one upon which, by applicable law, the Certificate of Incorporation, these By-Laws or applicable stock exchange rules, a different vote is required, in which case such provision shall govern and control the decision of such matter.

(e) Inspectors of Election. The Corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more persons as inspectors of election, who may be employees of the Corporation or otherwise serve the Corporation in other capacities, to act at such meeting of stockholders or any adjournment thereof and to make a written report thereof. The Corporation may appoint one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspectors of election or alternates are appointed prior to the meeting, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall ascertain and report the number of outstanding shares and the voting power of each; determine the number of shares present in person or represented by proxy at the meeting and the validity of proxies and ballots; count all votes and ballots and report the results; determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. No person who is a candidate for an office at an election may serve as an inspector at such election. Each report of an inspector shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors.

Section 2.6 Adjournments. Any meeting of stockholders, annual or special, may be adjourned by the chairman of the meeting, from time to time, whether or not there is a quorum, to reconvene at the same or some other place. Notice need not be given of any such adjourned meeting if the date, time and place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at

such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting the stockholders, or the holders of any class or series of stock entitled to vote separately as a class, as the case may be, may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix a new record date for notice of such adjourned meeting in accordance with Section 2.3, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

Section 2.7 Advance Notice for Business.

(a) Annual Meetings of Stockholders. No business may be transacted at an annual meeting of stockholders, other than business that is either (i) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board, (ii) otherwise properly brought before the annual meeting by or at the direction of the Board or (iii) otherwise properly brought before the annual meeting by any stockholder of the Corporation (x) who is a stockholder of record on the date of the giving of the notice provided for in this Section 2.7(a) and who is entitled to vote at such annual meeting and (y) who complies with the notice procedures set forth in this Section 2.7(a). Except for proposals properly made in accordance with Rule14a-8 under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and included in the notice of meeting given by or at the direction of the Board, the foregoing clause (iii) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of stockholders. Stockholders seeking to nominate persons for election to the Board must comply with Section 3.2, and this Section 2.7 shall not be applicable to nominations.

(i) In addition to any other applicable requirements, for business (other than nominations) to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation and such business must otherwise be a proper matter for stockholder action. Subject to Section 2.7(a)(iv), a stockholder's notice to the Secretary with respect to such business, to be timely, must (x) comply with the provisions of this Section 2.7(a)(i) and (y) be timely updated by the times and in the manner required by the provisions ofSection 2.7(a)(iii). A stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation not later than the 90th day nor earlier than the 120th day before the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that if the annual meeting is called for a date that is more than 30 days earlier or more than 60 days later than such anniversary date, notice by the stockholder to be timely must be so received not earlier than the 120th day before the meeting and not later than the later of (x) the 90th day before the meeting or (y) the 10th day following the day on which public announcement of the date of the annual meeting is first made by the Corporation. The public announcement of an adjournment or postponement of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described in this Section 2.7(a).

(ii) To be in proper written form, a stockholder's notice to the Secretary with respect to any business (other than nominations) must set forth (A) as to each such matter such stockholder proposes to bring before the annual meeting (1) a brief description of the business desired to be brought before the annual meeting and any material interest in such business of such stockholder and any Stockholder Associated Person (as defined below), individually or in the aggregate, (2) the text of the proposal or business (including the text of any resolutions proposed for consideration and if such business includes a proposal to amend these By-Laws, the text of the proposed amendment) and (3) the reasons for conducting such business at the annual meeting, (B) the name and address of the stockholder proposing such business, as they appear on the Corporation's books, and the name and address of any Stockholder Associated Person, (C) the class or series and number of shares of capital stock of the Corporation that are owned of record or are directly or indirectly owned beneficially by such stockholder and by any Stockholder Associated Person, (D) any option, warrant, convertible security, stock appreciation right, swap or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right is subject to settlement in the underlying class or series of shares of the Corporation or otherwise (a "***Derivative Instrument***") directly or indirectly owned beneficially by such stockholder or by any Stockholder Associated Person and any other direct or indirect opportunity of such stockholder or any Stockholder Associated Person to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (E) any proxy (other than a revocable proxy or written consent given in response to a solicitation made pursuant to Section 14(a) of the Exchange Act by way of a solicitation statement filed on Schedule 14A), contract, arrangement, understanding or relationship pursuant to which such stockholder or any Stockholder Associated Person has a right to vote any shares of the Corporation, (F) any short interest in any security of the Corporation held by such stockholder or any Stockholder Associated Person (for purposes of this Section 2.7 a person shall be deemed to have a short interest in a security if such person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security), (G) any rights owned beneficially by such stockholder or Stockholder Associated Person to dividends on the shares of the Corporation that are separated or separable from the underlying shares of the Corporation, (H) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or any Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, (I) any performance-related fees (other than an asset-based fee) that such stockholder or any Stockholder Associated Person is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, including without limitation any such interests held by members of such stockholder's or any Stockholder Associated Person's immediate family sharing the same household, (J) a description of all agreements, arrangements or understandings (written or oral) between or among such stockholder, any Stockholder Associated Person or any other person or persons (including their names) in connection

with the proposal of such business by such stockholder, (K) any other information relating to such stockholder and any Stockholder Associated Person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitation of proxies for election of directors (even if an election contest is not involved), or would be otherwise required, in each case pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, (L) a representation that such stockholder intends to appear in person or through a qualified representative at the annual meeting to bring such business before the meeting, and (M) a statement of whether whether or not each such party will deliver a proxy statement and form of proxy to holders of at least the percentage of voting power of all of the shares of capital stock of the Corporation required under applicable law to carry the proposal. A "***qualified representative***" of a stockholder means a person that is a duly authorized officer, manager or partner of such stockholder or is authorized by a writing (a) executed by such stockholder, (b) delivered (or a reliable reproduction or electronic transmission of the writing is delivered) by such stockholder to the Corporation prior to the taking of the action taken by such person on behalf of such stockholder and (c) stating that such person is authorized to act for such stockholder with respect to the action to be taken.

(iii) A stockholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.7(a) shall be true and correct as of the record date for the meeting and as of the date that is 10 business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation (x) in the case of the update and supplement required to be made as of the record date for the meeting, not later than five business days after such record date and (y) in the case of the update and supplement required to be made as of 10 business days prior to the meeting or any adjournment or postponement thereof, as applicable, not later than eight business days prior to the date for the meeting or any adjournment or postponement thereof, if practicable (or if not practicable, on the first practicable date prior to the date for the meeting or such adjournment or postponement thereof).

(iv) The foregoing notice requirements of this Section 2.7(a) shall be deemed satisfied by a stockholder as to any proposal (other than nominations) if the stockholder has notified the Corporation of such stockholder's intention to present such proposal at an annual meeting in compliance with Rule 14a-8 (or any successor thereof) of the Exchange Act, and such stockholder's proposal has been included in a proxy statement prepared by the Corporation to solicit proxies for such annual meeting. No business shall be conducted at the annual meeting of stockholders except business brought before the annual meeting in accordance with the procedures set forth in this Section 2.7(a), provided, however, that once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 2.7(a) shall be deemed to preclude discussion by any stockholder of any such business. If the Board or the chairman of the annual meeting determines that any stockholder proposal was not made in accordance with the provisions of this Section 2.7(a) or that the

information provided in a stockholder's notice does not satisfy the information requirements of this Section 2.7(a), such proposal shall not be presented for action at the annual meeting. Notwithstanding the foregoing provisions of this Section 2.7(a), if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting of stockholders of the Corporation to present the proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such matter may have been received by the Corporation.

(v) In addition to the provisions of this Section 2.7(a), a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth herein. Nothing in this Section 2.7(a) shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting only pursuant to Section 3.2.

(c) Definitions. For purposes of these By-Laws, "***public announcement***" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act; and "***Stockholder Associated Person***" shall mean for any stockholder (i) any person controlling, directly or indirectly, or acting in concert with, such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder, or (iii) any person controlling, controlled by or under common control with such person referred to in the preceding clauses (i) and (ii).

(d) Notwithstanding anything to the contrary contained in this Section 2.7, the notice procedures set forth in paragraphs (a)(i), (a)(ii), (a)(iii) or (b) of this Section 2.7 with respect to any annual or special meeting of stockholders shall not apply to a proposal made by a stockholder holding at least 25% of the Class B common stock, par value $0.001 per share (the "***Class B Common Stock***"), of the Corporation.

Section 2.8 Conduct of Meetings. The chairman of each annual and special meeting of stockholders shall be the Chairman of the Board or, in the absence (or inability or refusal to act) of the Chairman of the Board, the Chief Executive Officer (if he or she shall be a director) or, in the absence (or inability or refusal to act of the Chief Executive Officer or if the Chief Executive Officer is not a director, the President (if he or she shall be a director) or, in the absence (or inability or refusal to act) of the President or if the President is not a director, such other person as shall be appointed by the Board. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chairman of the meeting. The Board may adopt such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to

the extent inconsistent with these By-Laws or such rules and regulations as adopted by the Board, the chairman of any meeting of stockholders shall have the right and authority to convene and to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The secretary of each annual and special meeting of stockholders shall be the Secretary or, in the absence (or inability or refusal to act) of the Secretary, an Assistant Secretary so appointed to act by the chairman of the meeting. In the absence (or inability or refusal to act) of the Secretary and all Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.9 Consent of Stockholders in Lieu of Meeting Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote only in the manner provided in the Certificate of Incorporation and in accordance with applicable law.

ARTICLE III
DIRECTORS

Section 3.1 Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these By-Laws required to be exercised or done by the stockholders. Directors need not be stockholders or residents of the State of Delaware.

Section 3.2 Advance Notice for Nomination of Directors.

(a) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors by the stockholders of the Corporation. Nominations of persons for election to the Board at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors as set forth in the Corporation's notice of such special meeting, may be made (i) by or at the direction of the Board or (ii) by any stockholder of the Corporation (x) who is a stockholder of record on the date of the giving of the notice provided for in this Section 3.2 and who is entitled to vote in the election of directors at such meeting and (y) who complies with the notice procedures set forth in this Section 3.2. Except as set forth inSection 3.2(i), the immediately preceding sentence shall be the exclusive means for a stockholder to make nominations of persons for election to the Board at any annual or special meeting of stockholders.

(b) In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation. To be timely, a stockholder's notice to the Secretary must (x) comply with the provisions of this Section 3.2(b) and (y) be timely updated by the times and in the manner required by the provisions of Section 3.2(e). A stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation (i) in the case of an annual meeting, not later than the 90th day nor earlier than the 120th day before the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that if the annual meeting is called for a date that is more than 30 days earlier or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so received not earlier than the 120th day before the meeting and not later than the later of (x) the 90th day before the meeting or (y) the 10th day following the day on which public announcement of the date of the annual meeting is first made by the Corporation; and (ii) in the case of a special meeting of stockholders called for the purpose of electing directors, not earlier than the 120th day before the meeting and not later than the later of (x) the 90th day before the meeting or (y) the 10th day following the day on which public announcement of the date of the special meeting is first made by the Corporation. The public announcement of an adjournment or postponement of an annual meeting or special meeting shall not commence a new time period for the giving of a stockholder's notice as described in this Section 3.2.

(c) Notwithstanding anything in paragraph (b) to the contrary, if the number of directors to be elected to the Board at an annual meeting is greater than the number of directors whose terms expire on the date of the annual meeting and there is no public announcement by the Corporation naming all of the nominees for the additional directors to be elected or specifying the size of the increased Board before the 90th day prior to the anniversary date of the immediately preceding annual meeting of stockholders, a stockholder's notice required by this Section 3.2 shall also be considered timely, but only with respect to nominees for the additional directorships created by such increase that are to be filled by election at such annual meeting, if it shall be received by the Secretary at the principal executive offices of the Corporation not later than the 10th day following the date on which such public announcement was first made by the Corporation.

(d) To be in proper written form, a stockholder's notice to the Secretary must set forth (i) as to each person whom the stockholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of capital stock of the Corporation that are owned of record or are directly or indirectly owned beneficially by the person, (D) any Derivative Instrument directly or indirectly owned beneficially by such nominee and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation and (E) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; and (ii) as to the stockholder giving the notice (A) the name and address of such stockholder as they appear on the Corporation's books, and the name and address of any Stockholder Associated Person, (B) the class or series and number of shares of capital stock of the Corporation that are owned of record or directly or indirectly owned beneficially by such

Stockholder and any Stockholder Associated Person, (C) any Derivative Instrument directly or indirectly owned beneficially by such stockholder or Stockholder Associated Person and any other direct or indirect opportunity of such stockholder or any Stockholder Associated Person to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (D) any proxy (other than a revocable proxy or written consent given in response to a solicitation made pursuant to Section 14(a) of the Exchange Act by way of a solicitation statement filed on Schedule 14A), contract, arrangement, understanding or relationship pursuant to which such stockholder or any Stockholder Associated Person has a right to vote any shares of the Corporation, (E) any short interest in any security of the Corporation held by such stockholder or any Stockholder Associated Person (for purposes of this Section 3.2 a person shall be deemed to have a short interest in a security if such person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security), (F) any rights beneficially owned, directly or indirectly, by such stockholder or Stockholder Associated Person to dividends on the shares of the Corporation that are separated or separable from the underlying shares of the Corporation, (G) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or any Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, (H) any performance-related fees (other than an asset-based fee) that such stockholder or any Stockholder Associated Person is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, including without limitation any such interests held by members of such stockholder's or any Stockholder Associated Person's immediate family sharing the same household, (I) a description of all agreements, arrangements or understandings (written or oral) between or among such stockholder, any Stockholder Associated Person, any proposed nominee or any other person or persons (including their names) pursuant to which the nomination or nominations are to be made by such stockholder, (J) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice, (K) any other information relating to such stockholder and any Stockholder Associated Person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, (L) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such stockholder or any Stockholder Associated Person, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the stockholder making the nomination and any Stockholder Associated Person, or any person acting in concert therewith, was the "registrant" for purposes of such rule and the nominee was a director or executive officer of such registrant and (M) a statement of whether or not each such party will deliver a proxy statement and form of proxy to holders of at least the percentage of voting power of all of the shares of capital stock of the Corporation reasonably believed by the stockholder, as the case may be, to be sufficient to elect the nominee or nominees proposed to be nominated by the stockholder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee

and to serve as a director if elected and a representation that such nominee currently intends to serve as a director for the full term for which such nominee is standing for election. With respect to each person, if any, whom the stockholder proposes to nominate for election to the Board, a stockholder's notice must, in addition to the matters set forth above in this paragraph (d), also include a completed and signed questionnaire, representation and agreement required by Section 3.3 of these By-Laws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee.

(e) A stockholder providing notice of a director nomination shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.2 shall be true and correct as of the record date for the meeting and as of the date that is 10 business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation (x) in the case of the update and supplement required to be made as of the record date for the meeting, not later than five business days after such record date and (y) in the case of the update and supplement required to be made as of 10 business days prior to the meeting or any adjournment or postponement thereof, as applicable, not later than eight business days prior to the date for the meeting or any adjournment or postponement thereof, if practicable (or if not practicable, on the first practicable date prior to the date for the meeting or such adjournment or postponement thereof).

(f) If the Board or the chairman of the meeting of stockholders determines that any nomination was not made in accordance with the provisions of this Section 3.2, then such nomination shall not be considered at the meeting in question.

(g) In addition to the provisions of this Section 3.2, a stockholder shall also comply with all of the applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth herein.

(h) Notwithstanding the foregoing provisions of this Section 3.2, if the stockholder (or a qualified representative of the stockholder) does not appear at the meeting of stockholders of the Corporation to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Corporation.

(i) Nothing in this Section 3.2 shall be deemed to affect any rights of the holders of Preferred Stock to nominate and elect directors pursuant to the Certificate of Incorporation or the right of the Board to fill newly created directorships and vacancies on the Board pursuant to the Certificate of Incorporation.

(j) Notwithstanding anything to the contrary contained in this Section 3.2, the notice procedures set forth in paragraphs (b), (c), (d) or (e) of this Section 3.2 with respect to any annual or special meeting of stockholders shall not apply to a nomination made by a stockholder holding at least 25% of the Class B Common Stock of the Corporation.

Section 3.3 Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation, a person must deliver (in accordance with the time periods prescribed for delivery of notice under Section 3.2 of these By-Laws or, in the case of a nomination made by or at the direction of the Board or by a stockholder holding at least 25% of the Class B Common Stock of the Corporation, in accordance with such time periods as the Board may from time to time prescribe) to the Secretary at the principal executive offices of the Corporation a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request), and a written representation and agreement (in the form provided by the Secretary upon written request) that such person (A) is not and will not become a party to (1) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "***Voting Commitment***") that has not been disclosed to the Corporation or (2) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (B) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein, and (C) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, if elected as a director of the Corporation, will be and remain in compliance with all applicable policies and guidelines of the Corporation publicly disclosed from time to time, including, without limitation, those relating to corporate governance, conflict of interest, confidentiality, stock ownership and securities trading.

Section 3.4 Compensation. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, the Board shall have the authority to fix the compensation of directors. The directors may be reimbursed their expenses, if any, of attendance at each meeting of the Board and may be paid either a fixed sum for attendance at each meeting of the Board or other compensation as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of committees of the Board may be allowed like compensation and reimbursement of expenses for service on the committee.

ARTICLE IV
BOARD MEETINGS

Section 4.1 Annual Meetings. The Board shall meet as soon as practicable after the adjournment of each annual stockholders meeting at the place of the annual stockholders meeting unless the Board shall fix another time and place and give notice thereof in the manner required herein for special meetings of the Board. No notice to the directors shall be necessary to legally convene this meeting, except as provided in this Section 4.1.

Section 4.2 Regular Meetings. Regularly scheduled, periodic meetings of the Board may be held without notice at such times, dates and places as shall from time to time be determined by the Board.

Section 4.3 Special Meetings. Special meetings of the Board (a) may be called by the Chairman of the Board or Chief Executive Officer and (b) shall be called by the Chairman of the Board, Chief Executive Officer or Secretary on the written request of at least a majority of directors then in office, or the sole director, as the case may be, and shall be held at such time, date and place as may be determined by the person calling the meeting or, if called upon the request of directors or the sole director, as specified in such written request. Notice of each special meeting of the Board shall be given, as provided in Section 9.3, to each director (i) at least 24 hours before the meeting if such notice is oral notice given personally or by telephone or written notice given by hand delivery or by means of a form of electronic transmission and delivery; (ii) at least two days before the meeting if such notice is sent by a nationally recognized overnight delivery service; and (iii) at least five days before the meeting if such notice is sent through the United States mail. If the Secretary shall fail or refuse to give such notice, then the notice may be given by the officer who called the meeting or the directors who requested the meeting. Any and all business that may be transacted at a regular meeting of the Board may be transacted at a special meeting. Except as may be otherwise expressly provided by applicable law, the Certificate of Incorporation, or these By-Laws, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting. A special meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting in accordance with Section 9.4.

Section 4.4 Quorum; Required Vote. A majority of the Whole Board shall constitute a quorum for the transaction of business at any meeting of the Board, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by applicable law, the Certificate of Incorporation or these By-Laws. For purposes of these By-Laws, the term "***Whole Board***" shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships. If a quorum shall not be present at any meeting, a majority of the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 4.5 Consent In Lieu of Meeting Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions (or paper reproductions thereof) are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 4.6 Organization. The chairman of each meeting of the Board shall be the Chairman of the Board or, in the absence (or inability or refusal to act) of the Chairman of the Board, the Chief Executive Officer (if he or she shall be a director) or, in the absence (or inability or refusal to act) of the Chief Executive Officer or if the Chief Executive Officer is not a director,

the President (if he or she shall be a director) or in the absence (or inability or refusal to act) of the President or if the President is not a director, a chairman elected from the directors present. The Secretary shall act as secretary of all meetings of the Board. In the absence (or inability or refusal to act) of the Secretary, an Assistant Secretary shall perform the duties of the Secretary at such meeting. In the absence (or inability or refusal to act) of the Secretary and all Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting.

ARTICLE V
COMMITTEES OF DIRECTORS

Section 5.1 Establishment. The Board may designate one or more committees, including but not limited to an Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, each committee to consist of one or more of the directors of the Corporation. Each committee shall keep regular minutes of its meetings and report the same to the Board when required. The Board shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve any such committee.

Section 5.2 Available Powers. Any committee established pursuant to Section 5.1 hereof, to the extent permitted by applicable law and by resolution of the Board, shall have and may exercise all of the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it.

Section 5.3 Alternate Members. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee.

Section 5.4 Procedures. Unless the Board otherwise provides, the time, date, place, if any, and notice of meetings of a committee shall be determined by such committee. At meetings of a committee, a majority of the number of members of the committee (but not including any alternate member, unless such alternate member has replaced any absent or disqualified member at the time of, or in connection with, such meeting) shall constitute a quorum for the transaction of business. The act of a majority of the members present at any meeting at which a quorum is present shall be the act of the committee, except as otherwise specifically provided by applicable law, the Certificate of Incorporation, these By-Laws or the Board. If a quorum is not present at a meeting of a committee, the members present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present. Unless the Board otherwise provides and except as provided in these By-Laws, each committee designated by the Board may make, alter, amend and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board is authorized to conduct its business pursuant to Article III and Article IV of these By-Laws.

ARTICLE VI
OFFICERS

Section 6.1 Officers. The officers of the Corporation elected by the Board shall be a Chairman of the Board, a Chief Executive Officer, a President, a Treasurer, a Secretary and such other officers (including without limitation a Chief Financial Officer, Vice Presidents, Assistant Secretaries and Assistant Treasurers) as the Board from time to time may determine. Officers elected by the Board shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article VI. Such officers shall also have such powers and duties as from time to time may be conferred by the Board. The Chairman of the Board, Chief Executive Officer, or President may also appoint such other officers (including without limitation one or more Vice Presidents and Controllers) as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers shall have such powers and duties and shall hold their offices for such terms as may be provided in these By-Laws or as may be prescribed by the Board or, if such officer has been appointed by the Chairman of the Board, Chief Executive Officer or President, as may be prescribed by the appointing officer.

(a) Chairman of the Board. The Chairman of the Board shall preside when present at all meetings of the stockholders and the Board. The Chairman of the Board shall advise and counsel the Chief Executive Officer and other officers and shall exercise such powers and perform such duties as shall be assigned to or required of the Chairman of the Board from time to time by the Board or these By-Laws. The Chairman of the Board must be a director of the Corporation.

(b) Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Corporation, shall have general supervision of the affairs of the Corporation and general control of all of its business subject to the ultimate authority of the Board, and shall be responsible for the execution of the policies of the Board. In the absence (or inability or refusal to act) of the Chairman of the Board, the Chief Executive Officer (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board.

(c) President. The President shall be the chief operating officer of the Corporation and shall, subject to the authority of the Chief Executive Officer and the Board, have general management and control of the day-to-day business operations of the Corporation and shall consult with and report to the Chief Executive Officer. The President shall put into operation the business policies of the Corporation as determined by the Chief Executive Officer and the Board and as communicated to the President by the Chief Executive Officer and the Board. The President shall make recommendations to the Chief Executive Officer on all operational matters that would normally be reserved for the final executive responsibility of the Chief Executive Officer. In the absence (or inability or refusal to act) of the Chairman of the Board and Chief Executive Officer, the President (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board.

(d) Vice Presidents. In the absence (or inability or refusal to act) of the President, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board) shall perform the duties and have the powers of the President. Any one or more of the Vice Presidents may be given an additional designation of rank or function.

(e) Secretary.

(i) The Secretary shall attend all meetings of the stockholders, the Board and (as required) committees of the Board and shall record the proceedings of such meetings in books to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board and shall perform such other duties as may be prescribed by the Board, the Chairman of the Board, Chief Executive Officer or the President. The Secretary shall have custody of the corporate seal of the Corporation and the Secretary, or any Assistant Secretary, shall have authority to affix the same to any instrument requiring it, and when so affixed, it may be attested by his or her signature or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing thereof by his or her signature.

(ii) The Secretary shall keep, or cause to be kept, at the principal executive office of the Corporation or at the office of the Corporation's transfer agent or registrar, if one has been appointed, a stock ledger, or duplicate stock ledger, showing the names of the stockholders and their addresses, the number and classes of shares held by each and, with respect to certificated shares, the number and date of certificates issued for the same and the number and date of certificates cancelled.

(f) Assistant Secretaries. The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board shall, in the absence (or inability or refusal to act) of the Secretary, perform the duties and have the powers of the Secretary.

(g) Treasurer. The Treasurer shall perform all duties commonly incident to that office (including, without limitation, the care and custody of the funds and securities of the Corporation which from time to time may come into the Treasurer's hands and the deposit of the funds of the Corporation in such banks or trust companies as the Board, the Chief Executive Officer, or the President may authorize).

(h) Assistant Treasurers. The Assistant Treasurer or, if there shall be more than one, the Assistant Treasurers in the order determined by the Board shall, in the absence (or inability or refusal to act) of the Treasurer, perform the duties and exercise the powers of the Treasurer.

Section 6.2 Term of Office; Removal; Vacancies. The elected officers of the Corporation shall be elected annually by the Board at its first meeting held after each annual meeting of stockholders. All officers elected by the Board shall hold office until the next annual meeting of the Board and until their successors are duly elected and qualified or until their earlier death, resignation, retirement, disqualification, or removal from office. Any officer may be removed, with or without cause, at any time by the Board. Any officer appointed by the Chairman of the Board, Chief Executive Officer, or President may also be removed, with or

without cause, by the Chairman of the Board, Chief Executive Officer, or President, as the case may be, unless the Board otherwise provides. Any vacancy occurring in any elected office of the Corporation may be filled by the Board. Any vacancy occurring in any office appointed by the Chairman of the Board, Chief Executive Officer, or President may be filled by the Chairman of the Board, Chief Executive Officer, or President, as the case may be, unless the Board then determines that such office shall thereupon be elected by the Board, in which case the Board shall elect such officer.

Section 6.3 Other Officers. The Board may delegate the power to appoint such other officers and agents, and may also remove such officers and agents or delegate the power to remove same, as it shall from time to time deem necessary or desirable.

Section 6.4 Multiple Officeholders; Stockholder and Director Officers; Delegation. Any number of offices may be held by the same person unless the Certificate of Incorporation or these By-Laws otherwise provide. Officers need not be stockholders or residents of the State of Delaware. The Board may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any other provisions of these By-Laws.

ARTICLE VII
SHARES

Section 7.1 Certificated and Uncertificated Shares. The shares of the Corporation shall be represented by certificates, provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Notwithstanding the adoption of such a resolution by the Board, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed in accordance with Section 7.3 representing the number of shares registered in certificate form. The Corporation shall not have power to issue a certificate representing shares in bearer form.

Section 7.2 Multiple Classes of Stock. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the Corporation shall (a) cause the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights to be set forth in full or summarized on the face or back of any certificate that the Corporation issues to represent shares of such class or series of stock or (b) in the case of uncertificated shares, within a reasonable time after the issuance or transfer of such shares, send to the registered owner thereof a written notice containing the information required to be set forth on certificates as specified in clause (a) above; provided, however, that, except as otherwise provided by applicable law, in lieu of the foregoing requirements, there may be set forth on the face or back of such certificate or, in the case of uncertificated shares, on such written notice a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

Section 7.3 Signatures. Each certificate representing capital stock of the Corporation shall be signed by or in the name of the Corporation by any two of the Chairman of the Board, the Chief Executive Officer, the President, a Vice President, the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the Corporation or any other authorized officers of the Corporation. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, such certificate may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar on the date of issue.

Section 7.4 Consideration and Payment for Shares.

(a) Subject to applicable law and the Certificate of Incorporation, shares of stock may be issued for such consideration, having in the case of shares with par value a value not less than the par value thereof, and to such persons, as approved by the Board in any manner permitted by the Delaware General Corporation Law. The consideration may consist of any tangible or intangible property or benefit to the Corporation including cash, promissory notes, services performed, contracts for services to be performed or other securities.

(b) Subject to applicable law and the Certificate of Incorporation, the Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each certificate issued to represent any partly paid shares of capital stock or upon the books and records of the Corporation in the case of partly paid uncertificated shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated.

Section 7.5 Lost, Destroyed or Wrongfully Taken Certificates

(a) If an owner of a certificate representing shares claims that such certificate has been lost, destroyed or wrongfully taken, the Corporation shall issue a new certificate representing such shares or such shares in uncertificated form if the owner: (i) requests such a new certificate before the Corporation has notice that the certificate representing such shares has been acquired by a protected purchaser; (ii) if requested by the Corporation, delivers to the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, wrongful taking or destruction of such certificate or the issuance of such new certificate or uncertificated shares; and (iii) satisfies other reasonable requirements imposed by the Corporation.

(b) If a certificate representing shares has been lost, apparently destroyed or wrongfully taken, and the owner fails to notify the Corporation of that fact within a reasonable time after the owner has notice of such loss, apparent destruction or wrongful taking and the Corporation registers a transfer of such shares before receiving notification, the owner shall be precluded from asserting against the Corporation any claim for registering such transfer or a claim to a new certificate representing such shares or such shares in uncertificated form.

Section 7.6 Transfer of Stock.

(a) If a certificate representing shares of the Corporation is presented to the Corporation with a stock power or other indorsement requesting the registration of transfer of such shares or an instruction is presented to the Corporation requesting the registration of transfer of uncertificated shares, the Corporation shall register the transfer as requested if:

(i) in the case of certificated shares, the certificate representing such shares has been surrendered;

(ii) (A) with respect to certificated shares, the indorsement is made by the person specified by the certificate as entitled to such shares; (B) with respect to uncertificated shares, an instruction is made by the registered owner of such uncertificated shares; or (C) with respect to certificated shares or uncertificated shares, the indorsement or instruction is made by any other appropriate person or by an agent who has actual authority to act on behalf of the appropriate person;

(iii) the Corporation has received a guarantee of signature of the person signing such indorsement or instruction or such other reasonable assurance that the indorsement or instruction is genuine and authorized as the Corporation may request;

(iv) the transfer does not violate any restriction on transfer imposed by the Corporation that is enforceable in accordance withSection 7.8(a); and

(v) such other conditions for such transfer as shall be provided for under applicable law have been satisfied.

(b) Whenever any transfer of shares shall be made for collateral security and not absolutely, the Corporation shall so record such fact in the entry of transfer if, when the certificate for such shares is presented to the Corporation for transfer or, if such shares are uncertificated, when the instruction for registration of transfer thereof is presented to the Corporation, both the transferor and transferee request the Corporation to do so.

Section 7.7 Registered Stockholders. Before due presentment for registration of transfer of a certificate representing shares of the Corporation or of an instruction requesting registration of transfer of uncertificated shares, the Corporation may treat the registered owner as the person exclusively entitled to inspect for any proper purpose the stock ledger and the other books and records of the Corporation, vote such shares, receive dividends or notifications with respect to such shares and otherwise exercise all the rights and powers of the owner of such shares, except that a person who is the beneficial owner of such shares (if held in a voting trust or by a nominee on behalf of such person) may, upon providing documentary evidence of beneficial ownership of such shares and satisfying such other conditions as are provided under applicable law, also so inspect the books and records of the Corporation.

Section 7.8 Effect of the Corporation's Restriction on Transfer.

(a) A written restriction on the transfer or registration of transfer of shares of the Corporation or on the amount of shares of the Corporation that may be owned by any person

or group of persons, if permitted by the DGCL and noted conspicuously on the certificate representing such shares or, in the case of uncertificated shares, contained in a notice given by the Corporation to the registered owner of such shares within a reasonable time after the issuance or transfer of such shares, may be enforced against the holder of such shares or any successor or transferee of the holder including an executor, administrator, trustee, guardian or other fiduciary entrusted with like responsibility for the person or estate of the holder.

(b) A restriction imposed by the Corporation on the transfer or the registration of shares of the Corporation or on the amount of shares of the Corporation that may be owned by any person or group of persons, even if otherwise lawful, is ineffective against a person without actual knowledge of such restriction unless: (i) the shares are certificated and such restriction is noted conspicuously on the certificate; or (ii) the shares are uncertificated and such restriction was contained in a notice given by the Corporation to the registered owner of such shares within a reasonable time after the issuance or transfer of such shares.

Section 7.9 Regulations. The Board shall have power and authority to make such additional rules and regulations, subject to any applicable requirement of law, as the Board may deem necessary and appropriate with respect to the issue, transfer or registration of transfer of shares of stock or certificates representing shares. The Board may appoint one or more transfer agents or registrars and may require for the validity thereof that certificates representing shares bear the signature of any transfer agent or registrar so appointed.

ARTICLE VIII
INDEMNIFICATION

Section 8.1 Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "***proceeding***"), by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, other enterprise or nonprofit entity, including service with respect to an employee benefit plan (hereinafter a "***Covered Person***"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent, or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by applicable law, as the same exists or may hereafter be amended, against all expenses, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by such Covered Person in connection with such proceeding; provided, however, that, except as provided in Section 8.3 with respect to proceedings to enforce rights to indemnification and advancement of expenses, the Corporation shall indemnify a Covered Person in connection with a proceeding (or part thereof) initiated by such Covered Person only if such proceeding (or part thereof) was authorized by the Board.

Section 8.2 Right to Advancement of Expenses. In addition to the right to indemnification conferred in Section 8.1, a Covered Person shall also have the right to be paid by

the Corporation the expenses (including, without limitation, attorneys' fees) incurred in defending, testifying, or otherwise participating in any such proceeding in advance of its final disposition (hereinafter an "***advancement of expenses***"); provided, however, that, if the Delaware General Corporation Law ("***DGCL***") requires, an advancement of expenses incurred by a Covered Person in his or her capacity as a director or officer of the Corporation (and not in any other capacity in which service was or is rendered by such Covered Person, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "***undertaking***"), by or on behalf of such Covered Person, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "***final adjudication***") that such Covered Person is not entitled to be indemnified for such expenses under this Article VIII or otherwise.

Section 8.3 Right of Indemnitee to Bring Suit. If a claim under Section 8.1 or Section 8.2 is not paid in full by the Corporation within 60 days after a written claim therefor has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the Covered Person may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim to the fullest extent permitted by law. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Covered Person shall also be entitled to be paid the expense of prosecuting or defending such suit. In any suit brought by (a) the Covered Person to enforce a right to indemnification hereunder (but not in a suit brought by a Covered Person to enforce a right to an advancement of expenses) it shall be a defense that, and (b) the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the Covered Person has not met any applicable standard for indemnification set forth in the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Covered Person is proper in the circumstances because the Covered Person has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including a determination by its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the Covered Person has not met such applicable standard of conduct, shall create a presumption that the Covered Person has not met the applicable standard of conduct or, in the case of such a suit brought by the Covered Person, shall be a defense to such suit. In any suit brought by the Covered Person to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Covered Person is not entitled to be indemnified, or to such advancement of expenses, under this Article VIII or otherwise shall be on the Corporation.

Section 8.4 Non-Exclusivity of Rights. The rights provided to Covered Persons pursuant to this Article VIII shall not be exclusive of any other right that any Covered Person may have or hereafter acquire under applicable law, the Certificate of Incorporation, these By-Laws, an agreement, a vote of stockholders or disinterested directors, or otherwise.

Section 8.5 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and/or any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust, other enterprise or nonprofit entity against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 8.6 Indemnification of Other Persons. This Article VIII shall not limit the right of the Corporation to the extent and in the manner permitted by law to indemnify and to advance expenses to persons other than Covered Persons. Without limiting the foregoing, the Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation and to any other person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, other enterprise or nonprofit entity, including service with respect to an employee benefit plan, to the fullest extent of the provisions of this Article VIII with respect to the indemnification and advancement of expenses of Covered Persons under this Article VIII.

Section 8.7 Amendments. Any repeal or amendment of this Article VIII by the Board or the stockholders of the Corporation or by changes in applicable law, or the adoption of any other provision of these By-Laws inconsistent with this Article VIII, shall, to the extent permitted by applicable law, be prospective only (except to the extent such amendment or change in applicable law permits the Corporation to provide broader indemnification rights to Covered Persons on a retroactive basis than permitted prior thereto), and will not in any way diminish or adversely affect any right or protection existing hereunder in respect of any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

Section 8.8 Certain Definitions. For purposes of this Article VIII, (a) references to "other enterprise" shall include any employee benefit plan; (b) references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; (c) references to "serving at the request of the Corporation" shall include any service that imposes duties on, or involves services by, a person with respect to any employee benefit plan, its participants, or beneficiaries; and (d) a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interest of the Corporation" for purposes of Section 145 of the DGCL.

Section 8.9 Contract Rights. The rights provided to Covered Persons pursuant to this Article VIII (a) shall be contract rights based upon good and valuable consideration, pursuant to which a Covered Person may bring suit as if the provisions of this Article VIII were set forth in a separate written contract between the Covered Person and the Corporation, (b) shall fully vest at the time the Covered Person first assumes his or her position as a director or officer of the Corporation, (c) are intended to be retroactive and shall be available with respect to any act or omission occurring prior to the adoption of this Article VIII, (d) shall continue as to a Covered Person who has ceased to be a director or officer of the Corporation, and (e) shall inure to the benefit of the Covered Person's heirs, executors and administrators.

Section 8.10 Severability. If any provision or provisions of this Article VIII shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Article VIII shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Article VIII (including, without limitation, each such portion of this Article VIII containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Place of Meetings. If the place of any meeting of stockholders, the Board or committee of the Board for which notice is required under theseBy-Laws is not designated in the notice of such meeting, such meeting shall be held at the principal business office of the Corporation; provided, however, if the Board has, in its sole discretion, determined that a meeting shall not be held at any place, but instead shall be held by means of remote communication pursuant to Section 9.5 hereof, then such meeting shall not be held at any place.

Section 9.2 Fixing Certain Record Dates.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the Board so fixes a record date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be on the business day next preceding the day on which notice is given, or, if notice is waived, on the business day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the foregoing provisions of this Section 9.2(a) at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be on the day on which the Board adopts the resolution relating thereto.

Section 9.3 Means of Giving Notice.

(a) Notice to Directors. Whenever under applicable law, the Certificate of Incorporation or these By-Laws notice is required to be given to any director, such notice shall be given either (i) in writing and sent by hand delivery, through the United States mail, or by a nationally recognized overnight delivery service for next day delivery, (ii) by means of facsimile telecommunication or other form of electronic transmission, or (iii) by oral notice given personally or by telephone. A notice to a director will be deemed given as follows: (i) if given by hand delivery, orally, or by telephone, when actually received by the director, (ii) if sent through the United States mail, when deposited in the United States mail, with postage and fees thereon prepaid, addressed to the director at the director's address appearing on the records of the Corporation, (iii) if sent for next day delivery by a nationally recognized overnight delivery service, when deposited with such service, with fees thereon prepaid, addressed to the director at the director's address appearing on the records of the Corporation, (iv) if sent by facsimile telecommunication, when sent to the facsimile transmission number for such director appearing on the records of the Corporation, (v) if sent by electronic mail, when sent to the electronic mail address for such director appearing on the records of the Corporation, or (vi) if sent by any other form of electronic transmission, when sent to the address, location or number (as applicable) for such director appearing on the records of the Corporation.

(b) Notice to Stockholders. Whenever under applicable law, the Certificate of Incorporation or these By-Laws notice is required to be given to any stockholder, such notice may be given (i) in writing and sent either by hand delivery, through the United States mail, or by a nationally recognized overnight delivery service for next day delivery, or (ii) by means of a form of electronic transmission consented to by the stockholder, to the extent permitted by, and subject to the conditions set forth in Section 232 of the DGCL. A notice to a stockholder shall be deemed given as follows: (i) if given by hand delivery, when actually received by the stockholder, (ii) if sent through the United States mail, when deposited in the United States mail, with postage and fees thereon prepaid, addressed to the stockholder at the stockholder's address appearing on the stock ledger of the Corporation, (iii) if sent for next day delivery by a nationally recognized overnight delivery service, when deposited with such service, with fees thereon prepaid, addressed to the stockholder at the stockholder's address appearing on the stock ledger of the Corporation, and (iv) if given by a form of electronic transmission consented to by the stockholder to whom the notice is given and otherwise meeting the requirements set forth above, (A) if by facsimile transmission, when directed to a number at which the stockholder has consented to receive notice, (B) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (C) if by a posting on an electronic network together with separate notice to the stockholder of such specified posting, upon the later of (1) such posting and (2) the giving of such separate notice, and (D) if by any other form of electronic transmission, when directed to the stockholder. A stockholder may revoke such stockholder's consent to receiving notice by means of electronic communication by giving written notice of such revocation to the Corporation. Any such consent shall be deemed revoked if (1) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (2) such inability becomes known to the Secretary or an Assistant Secretary or to the Corporation's transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

(c) Electronic Transmission. "***Electronic transmission***" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process, including but not limited to transmission by telex, facsimile telecommunication, electronic mail, telegram and cablegram or any other manner permitted by the DGCL.

(d) Notice to Stockholders Sharing Same Address. Without limiting the manner by which notice otherwise may be given effectively by the Corporation to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these By-Laws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. A stockholder may revoke such stockholder's consent by delivering written notice of such revocation to the Corporation. Any stockholder who fails to object in writing to the Corporation within 60 days of having been given written notice by the Corporation of its intention to send such a single written notice shall be deemed to have consented to receiving such single written notice.

(e) Exceptions to Notice Requirements. Whenever notice is required to be given, under the DGCL, the Certificate of Incorporation or theseBy-Laws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting that shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. If the action taken by the Corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

Whenever notice is required to be given by the Corporation, under any provision of the DGCL, the Certificate of Incorporation or theseBy-Laws, to any stockholder to whom (1) notice of two consecutive annual meetings of stockholders and all notices of stockholder meetings or of the taking of action by written consent of stockholders without a meeting to such stockholder during the period between such two consecutive annual meetings, or (2) all, and at least two payments (if sent by first-class mail) of dividends or interest on securities during a 12-month period, have been mailed addressed to such stockholder at such stockholder's address as shown on the records of the Corporation and have been returned undeliverable, the giving of such notice to such stockholder shall not be required. Any action or meeting that shall be taken or held without notice to such stockholder shall have the same force and effect as if such notice had been duly given. If any such stockholder shall deliver to the Corporation a written notice setting forth such stockholder's then-current address, the requirement that notice be given to such stockholder shall be reinstated. If the action taken by the Corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate need not state that notice was not given to persons to whom notice was not required to be given pursuant to Section 230(b) of the DGCL. The exception in subsection (1) of the first sentence of this paragraph to the requirement that notice be given shall not be applicable to any notice returned as undeliverable if the notice was given by electronic transmission.

Section 9.4 Waiver of Notice. Whenever any notice is required to be given under applicable law, the Certificate of Incorporation, or theseBy-Laws, a written waiver of such notice, signed before or after the date of such meeting by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to said notice, shall be deemed equivalent to such required notice. All such waivers shall be kept with the books of the Corporation. Attendance at a meeting shall constitute a waiver of notice of such meeting, except where a person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.5 Meeting Attendance via Remote Communication Equipment.

(a) Stockholder Meetings. If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(i) participate in a meeting of stockholders; and

(ii) be deemed present in person and vote at a meeting of stockholders, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (A) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (B) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (C) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such votes or other action shall be maintained by the Corporation.

(b) Board Meetings. Unless otherwise restricted by applicable law, the Certificate of Incorporation or theseBy-Laws, members of the Board or any committee thereof may participate in a meeting of the Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.6 Dividends. The Board may from time to time declare, and the Corporation may pay, dividends (payable in cash, property or shares of the Corporation's capital stock) on the Corporation's outstanding shares of capital stock, subject to applicable law and the Certificate of Incorporation.

Section 9.7 Reserves. The Board may set apart out of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

Section 9.8 Contracts and Negotiable Instruments. Except as otherwise provided by applicable law, the Certificate of Incorporation or these By-Laws, any contract, bond, deed, lease, mortgage or other instrument may be executed and delivered in the name and on behalf of the Corporation by such officer or officers or other employee or employees of the Corporation as the Board may from time to time authorize. Such authority may be general or confined to specific instances as the Board may determine. The Chairman of the Board, the Chief Executive Officer, the President or any Vice President may execute and deliver any contract, bond, deed, lease, mortgage or other instrument in the name and on behalf of the Corporation. Subject to any restrictions imposed by the Board, the Chairman of the Board, Chief Executive Officer, President or any Vice President may delegate powers to execute and deliver any contract, bond, deed, lease, mortgage or other instrument in the name and on behalf of the Corporation to other officers or employees of the Corporation under such person's supervision and authority, it being understood, however, that any such delegation of power shall not relieve such officer of responsibility with respect to the exercise of such delegated power.

Section 9.9 Fiscal Year. The fiscal year of the Corporation shall be fixed by the Board.

Section 9.10 Seal. The Board may adopt a corporate seal, which shall be in such form as the Board determines. The seal may be used by causing it or a facsimile thereof to be impressed, affixed or otherwise reproduced.

Section 9.11 Books and Records. The books and records of the Corporation may be kept within or outside the State of Delaware at such place or places as may from time to time be designated by the Board.

Section 9.12 Resignation. Any director, committee member or officer may resign by giving notice thereof in writing or by electronic transmission to the Chairman of the Board, the Chief Executive Officer, the President or the Secretary. The resignation shall take effect at the time specified therein, or at the time of receipt of such notice if no time is specified or the specified time is earlier than the time of such receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.13 Surety Bonds. Such officers, employees and agents of the Corporation (if any) as the Chairman of the Board, Chief Executive Officer, the President or the Board may direct, from time to time, shall be bonded for the faithful performance of their duties and for the restoration to the Corporation, in case of their death, resignation, retirement, disqualification or removal from office, of all books, papers, vouchers, money and other property of whatever kind in their possession or under their control belonging to the Corporation, in such amounts and by such surety companies as the Chairman of the Board, Chief Executive Officer, President or the Board may determine. The premiums on such bonds shall be paid by the Corporation and the bonds so furnished shall be in the custody of the Secretary.

Section 9.14 Securities of Other Corporations or Entities Powers of attorney, proxies, waivers of notice of meeting, consents in writing and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chairman of the Board, Chief Executive Officer, President or any Vice President. Any such officer, may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation or other entity in which the Corporation may own securities, or to consent in writing, in the name of the Corporation as such holder, to any action by such corporation or entity, and at any such meeting or with respect to any such consent shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed. The Board may from time to time confer like powers upon any other person or persons.

Section 9.15 Amendments. The Board of Directors is authorized to make, repeal, alter, amend and rescind, in whole or in part, these By-Laws without the assent or vote of the stockholders in any manner not inconsistent with the laws of the State of Delaware or the Certificate of Incorporation. For so long as shares of Class B Common Stock remain outstanding, the affirmative vote of the holders of a majority in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required in order for the stockholders of the Corporation to alter, amend, repeal or rescind, in whole or in part, any provision of the By-Laws or to adopt any provision inconsistent therewith. Notwithstanding any other provisions of these By-Laws or any provision of law that might otherwise permit a lesser vote of the stockholders, once no shares of Class B Common Stock remain outstanding, in addition to any vote of the holders of any class or series of capital stock of the Corporation required by the Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock), these By-Laws or applicable law, the affirmative vote of the holders of at least 66 ⅔% in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required in order for the stockholders of the Corporation to alter, amend, repeal or rescind, in whole or in part, any provision of these By-Laws (including, without limitation, this Section 9.15) or to adopt any provision inconsistent herewith.

Exhibit 4.1

SEE REVERSE FOR IMPORTANT NOTICE REGARDING OWNERSHIP AND TRANSFER RESTRICTIONS AND CERTAIN OTHER INFORMATION

ZQ

CONSTRUCTION PARTNERS INC.
A LEADING INFRASTRUCTURE COMPANY

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE
CLASS A COMMON STOCK

CUSIP 21044C 107
SEE REVERSE FOR CERTAIN DEFINITIONS

THIS CERTIFIES THAT

IS THE OWNER OF

FULLY PAID AND NON-ASSESSABLE SHARES OF CLASS A COMMON STOCK, PAR VALUE OF $0.001 PER SHARE, OF

CONSTRUCTION PARTNERS, INC.

transferable on the books of the Corporation in person or by attorney upon surrender of this certificate duly endorsed or assigned. This Certificate and the shares represented hereby are subject to the laws of the State of Delware, and to the Certificate of Incorporation and Bylaws of the Corporation, as now or as hereafter amended. This Certificate is not valid until countersigned by the Transfer Agent.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

0000001

EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

PRESIDENT
CHIEF EXECUTIVE OFFICER

COUNTERSIGNED AND REGISTERED
CONTINENTAL STOCK TRANSFER & TRUST COMPANY
TRANSFER AGENT AND REGISTRAR

BY

AUTHORIZED SIGNATURE

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	– as tenants in common
TEN ENT	– as tenants by the entireties
IT TEN	– as joint tenants with right of survivorship and not as tenants in common
TTEE	– trustee under Agreement dated _____

UNIF GIFT MIN ACT– _____ (Cust) Custodian _____ (Minor)
under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE.

_____

_____

_____ Shares of the common stock represented by this certificate and do hereby irrevocably constitute and appoint _____

_____,

attorney, to transfer the said stock on the books of the within-named corporation with full power of substitution in the premises.

DATED _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

_____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION, (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

Exhibit 10.1

FORM OF
INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (the "***Agreement***") is made and entered into as of [●], 2018 by and between Construction Partners, Inc., a Delaware corporation (the "***Company***"), and [●] ("***Indemnitee***").

WITNESSETH THAT:

WHEREAS, highly competent persons have become more reluctant to serve as directors or officers or in other capacities for corporations unless they are provided with insurance or indemnification that adequately protects them from the inordinate risk of claims and actions against them arising out of their service to and activities on behalf of such corporations;

WHEREAS, the Board of Directors of the Company (the "***Board***") has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, the Board has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities.

WHEREAS, the Amended and Restated Certificate of Incorporation of the Company (the "***Certificate of Incorporation***") and the Bylaws of the Company (as amended, the "***Bylaws***"), provide for the indemnification of the directors and officers of the Company, as well as persons serving in various other capacities, to the fullest extent permitted by law, and state that these indemnification provisions are in addition to any other rights to which an indemnitee may be entitled under any other agreement;

WHEREAS, Indemnitee does not regard the protections available under the Bylaws and the Company's insurance as adequate in the present circumstances, and may not be willing to serve or continue to serve as an officer or director of the Company and its subsidiaries without adequate protection, and the Company desires Indemnitee to serve in such capacity;

WHEREAS, it is reasonable, prudent and necessary for the Company to contractually obligate itself to indemnify, and to advance expenses on behalf of, Indemnitee to the fullest extent permitted by applicable law so that Indemnitee will serve or continue to serve the Company and its subsidiaries free from undue concern that they will not be so indemnified;

WHEREAS, Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company and its subsidiaries on the condition that Indemnitee be so indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws and Certificate of Incorporation of the Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

NOW, THEREFORE, in consideration of Indemnitee's agreement to serve or continue to serve as an officer and/or director of the Company or its subsidiaries from and after the date hereof, the parties hereto agree as follows:

1. Indemnity of Indemnitee. The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of Indemnitee's Covered Status (as hereinafter defined), Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company, which is governed by Section 1(b). Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses (as hereinafter defined), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, as applicable, and with respect to any criminal Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of Indemnitee's Covered Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company, unless and to the extent that the Court of Chancery of the State of Delaware shall determine that such indemnification may be made.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Covered Status, a party to and is successful, on the merits or otherwise, in any Proceeding, Indemnitee shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 1(c) and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(d) Indemnification of Appointing Stockholder. If (i) Indemnitee is or was affiliated with one or more entities that has invested in the Company (each, an "***Appointing Stockholder***"), and (ii) the Appointing Stockholder is, or is threatened to be made, a party to or a participant in any Proceeding relating to or arising by reason of Appointing Stockholder's position as a stockholder of, or lender to, the Company, or Appointing Stockholder's appointment of or affiliation with Indemnitee or any other director, including without limitation any alleged misappropriation of a Company asset or corporate opportunity, any claim of misappropriation or infringement of intellectual property relating to the Company, any alleged false or misleading statement or omission made by the Company (or on its behalf) or its employees or agents, or any allegation of inappropriate control or influence over the Company or its Board members, officers, equity holders or debt holders, then the Appointing Stockholder will be entitled to indemnification hereunder for Expenses to the same extent as Indemnitee, and the terms of this Agreement as they relate to procedures for indemnification of Indemnitee and advancement of Expenses shall apply to any such indemnification of Appointing Stockholder. The rights provided to the Appointing Stockholder under this Section 1(d) shall (i) be suspended during any period during which the Appointing Stockholder does not have a representative on the Company's Board and (ii) terminate on an initial public offering of the Company's Common Stock; provided, however, that in the event of any such suspension or termination, the Appointing Stockholder's rights to indemnification will not be suspended or terminated with respect to any Proceeding based in whole or in part on facts and circumstances occurring at any time prior to such suspension or termination regardless of whether the Proceeding arises before or after such suspension or termination. The Company and Indemnitee agree that the Appointing Stockholder is an express third party beneficiary of the terms of this Section 1(d).

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf if, by reason of Indemnitee's Covered Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7) to be unlawful.

3. Contribution.

(a) Whether or not the indemnification provided in Sections 1 and 2 is available, in respect of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such Proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in Section 3(a), if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company or the Covered Entities other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction or events from which such Proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company or the Covered Entities other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the transaction or events that resulted in such Expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which applicable law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company or the Covered Entities, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company or the Covered Entities, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and the directors, officers, employees and agents of the Company or the Covered Entities) and Indemnitee in connection with such event(s) and/or transaction(s).

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Covered Status, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

5. Advancement of Expenses. Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Covered Status within 30 days after

the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 shall be unsecured and interest free.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the Certificate of Incorporation, Bylaws or the General Corporation Law of the State of Delaware and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a), a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following five methods, which, except for the fourth method in the event of a Change of Control as defined in Section 13, shall be at the election of the Board: (1) by a majority vote of the Disinterested Directors, even though less than a quorum, (2) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum, (3) if there are no Disinterested Directors or if the Disinterested Directors so direct, by Independent Counsel (as hereinafter defined) in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee, (4) in the event of a Change of Control, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee or (5) if so directed by the Board, by the stockholders of the Company.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b), the Independent Counsel shall be selected as provided in this Section 6(c). The Independent Counsel shall be selected by the Board, and the Company shall give written notice to Indemnitee advising Indemnitee of the identity of the Independent Counsel so selected. Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "***Independent Counsel***" as defined in Section 13, and the objection shall set forth with particularity the factual basis of such assertion.

Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a), no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 6(b). The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b), and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including the Disinterested Directors, a committee of such directors or Independent Counsel) to have made a determination, prior to the commencement of any action pursuant to this Agreement, that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by the Disinterested Directors, a committee of such directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as hereinafter defined), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons or entity empowered or selected under Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within 60 days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a

material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within 15 days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within 75 days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within 15 days after such receipt for the purpose of making such determination, such meeting is held for such purpose within 60 days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel or member of the Board shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to this Agreement within 10 days after receipt by the Company of a written request therefor or (v) payment of indemnification is not made within 10 days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 6(b) that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination shall have been made pursuant to Section 6(b) that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of Indemnitee's rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on Indemnitee's behalf, in advance, any and all expenses (of the types described in the definition of "Expenses" in Section 13 of this Agreement) actually and reasonably incurred by Indemnitee in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within 10 days after receipt by the Company of a written request therefore) advance, to the extent not prohibited by applicable law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; Insurance; Subrogation; Primacy of Indemnificaton.

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, under the Certificate of Incorporation, the Bylaws, any agreement, a vote of stockholders, a resolution of the Board or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Covered Status prior to such amendment, alteration or repeal. To the extent that an amendment or modification of the Certificate of Incorporation or Bylaws, whether by law, amendment or otherwise, or an amendment to Delaware law permits greater indemnification than would be afforded currently under the Certificate of Incorporation, the Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, agents or fiduciaries of the Company or the Covered Entities, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) Except as provided in Section 8(f), in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) Except as provided in Section 8(f), the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) Except as provided in Section 8(f), the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

(f) Notwithstanding anything set forth to the contrary in this Agreement including, without limitation, Sections 8(c), 8(d) and 8(e) above, the Company hereby acknowledges and agrees that in the event the Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by the Original Stockholder Indemnitors, (i) the Company is the indemnitor of first resort (*i.e.*, its obligations to Indemnitee are primary and any obligation of the Original Stockholder Indemnitors to advance Expenses or to provide indemnification for the same Expenses or Losses, as defined in Section 13, incurred by Indemnitee are secondary), (ii) the Company shall be required to advance the full amount of Expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses and Losses as required by the terms of this Agreement and the Certificate of Incorporation or the Bylaws (or any other agreement between the Company and Indemnitee), without regard to any rights such Indemnitee may have against the Original Stockholder Indemnitors, and (iii) the Company irrevocably waives, relinquishes and releases the Original Stockholder Indemnitors from any and all claims against the Original Stockholder Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Original Stockholder Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Original Stockholder Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Original Stockholder Indemnitors are express third party beneficiaries of the terms of this Section 8.

9. Exception to Right of Indemnification. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision, provided, that the foregoing shall not affect the rights of Indemnitee or the Original Stockholder Indemnitors set forth in Section 8(f); or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), or similar provisions of state statutory law or common law or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, as amended (the "***Sarbanes-Oxley Act***"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or

(c) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any such part of any Proceeding) prior to its initiation or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

10. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue for so long as Indemnitee may have any liability or potential liability by virtue of serving as an officer or director of the Company or the Covered Entities and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 7) by reason of Indemnitee's Covered Status, whether or not Indemnitee is acting or serving in any such capacity at the time any liability or Expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

11. Security. To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of Indemnitee.

12. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the Bylaws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

(c) The Company shall not seek from a court, or agree to, a "bar order" which would have the effect of prohibiting or limiting the Indemnitee's rights to receive advancement of Expenses under this Agreement.

13. Definitions. For purposes of this Agreement:

(a) "***Change of Control***" means the occurrence of any of the following events:

(i) the acquisition after the date of this Agreement by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 15% or more of either the then-outstanding shares of common stock of the Company (the "***Outstanding Company Common Stock***") or the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "***Outstanding Company Voting Securities***"); provided, however, that none of the following acquisitions will constitute a Change of Control: (A) any acquisition directly from the Company or any Controlled Affiliate, as defined below, of the Company; (B) any acquisition by the Company or any Controlled Affiliate of the Company; (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Controlled Affiliate of the Company; (D) any acquisition by any Original Stockholder Indemnitor, or any entity or person that may be an affiliate of any Original Stockholder Indemnitor; or (E) any acquisition by any entity or its security holders pursuant to a transaction that complies with clauses (A), (B) and (C) of paragraph (iii) of this definition;

(ii) individuals who, as of the date of this Agreement, constitute the Board (the "***Incumbent Directors***") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual who becomes a director of the Company subsequent to the date of this Agreement and whose election or appointment by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the then Incumbent Directors will be considered as an Incumbent Director, unless such individual's initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person or entity other than the Company;

(iii) consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company or an acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each a "***Business Combination***") unless, in each case, following such Business Combination (A) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including a corporation that, as a result of such Business Combination, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (B) no person or entity (excluding (x) any entity resulting from such Business Combination or (y) any employee benefit plan (or related trust) of the Company or corporation resulting from such Business Combination) beneficially owns, directly or indirectly 15% or more of either the then- outstanding shares of common stock of the corporation resulting from such Business

Combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to such Business Combination, and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(b) "***Controlled Affiliate***" means any corporation, limited liability company, partnership, joint venture, trust or other Enterprise, whether or not for profit, that is directly or indirectly controlled by the Company. For purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of an Enterprise, whether through the ownership of voting securities, through other voting rights, by contract or otherwise.

(c) "***Covered Entities***" shall have the meaning given such term in the definition of Covered Status.

(d) "***Covered Status***" describes the status of a person who is or was a director, officer, partner, trustee, member, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, limited liability company, employee benefit plan or other enterprise, including the Company's subsidiaries (collectively, the "***Covered Entities***"), that such person is or was serving at the express written request of the Company.

(e) "***Disinterested Director***" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(f) "***Enterprise***" shall mean, as the context requires, the Company or the Covered Entities.

(g) "***Expenses***" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) "***Independent Counsel***" means a law firm, or a member of a law firm, that is experienced in matters of public companies, fiduciary duties, indemnity matters and corporation law, and neither presently is, nor in the past five years has been, retained to

represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "***Independent Counsel***" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) "***Losses***" means any loss, liability, judgments, damages, amounts paid in settlement, fines (including excise taxes and penalties assessed with respect to employee benefit plans), penalties (whether civil, criminal or otherwise) and all interest, assessments and other charges paid or payable in connection with or in respect of any of the foregoing.

(j) "***Original Stockholder Indemnitors***" shall mean SunTx Capital Management Corp. and its affiliates.

(k) "***Proceeding***" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or any predecessor, subsidiary or affiliated company or otherwise and whether civil, criminal, administrative, arbitrative, legislative, investigative or other nature, in which Indemnitee was, is or will be involved as a party, as a witness or otherwise, by reason of Indemnitee's Covered Status, by reason of any action taken by Indemnitee or of any inaction on Indemnitee's part while acting in Indemnitee's Covered Status; in each case whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including any pending on or before the date of this Agreement, but excluding any initiated by an Indemnitee pursuant to Section 7 to enforce Indemnitee's rights under this Agreement.

14. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Further, the invalidity or unenforceability of any provision hereof as to either Indemnitee or Appointing Stockholder shall in no way affect the validity or enforceability of any provision hereof as to the other. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation,

subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent:

(a) To Indemnitee at:

_____

_____

_____

(b) To the Company at:

Construction Partners, Inc.
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
Attention: Chief Financial Officer

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (a) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "***Delaware Court***"), and not in any other state or federal court in the United States of America or any court in any other country, (b) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out

of or in connection with this Agreement, (c) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (d) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

[*SIGNATURE PAGE TO FOLLOW*]

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement on and as of the day and year first above written.

CONSTRUCTION PARTNERS, INC.

By: _____
Name: _____
Title: _____

INDEMNITEE

_____
Name:

Exhibit 10.7

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

TABLE OF CONTENTS

		Page
1.	Purpose	1
2.	Definitions	1
3.	Administration	7
4.	Shares Subject to the Plan	9
5.	Award Eligibility and Limitations	10
6.	Options	10
7.	Stock Appreciation Rights	13
8.	Restricted Awards	15
9.	Performance Awards	17
10.	Other Stock-Based Awards	19
11.	Treatment of Awards on Termination of Continuous Service	19
12.	Covenants of the Company	20
13.	Company Use of Proceeds from Awards	20
14.	Adjustments for Changes in Stock	20
15.	Amendment of the Plan and Awards	22
16.	General Provisions	23
17.	Effective Date and Term of Plan	28
18.	Governing Law	28
19.	Limitation on Liability	29
20.	Execution	29

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

1. Purpose

The purpose of the Construction Partners, Inc. 2018 Equity Incentive Plan is to enable the Company and any Affiliate to obtain and retain the services of the types of Employees, Consultants, and Directors who will contribute to the Company's long range success and to provide incentives that are linked directly to increases in share value which will inure to the benefit of all stockholders of the Company. The Plan is an amendment and restatement of the SunTX CPI Growth Company, Inc. 2016 Equity Incentive Plan.

2. Definitions

"Administrator" means the Board or the Committee appointed by the Board in accordance withSection 3(e).

"Affiliate" means any parent or direct or indirect subsidiary of the Company, whether now or hereafter existing.

"Award" means any Option, Restricted Award, Performance Award, Stock Appreciation Right or other Stock-Based Award granted under the Plan.

"Award Agreement" means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award. Each Award Agreement will be subject to the terms and conditions of the Plan and need not be identical.

"Board" means the Board of Directors of the Company.

"Cause" means, (a) with respect to any Participant who is a party to a Service Agreement which provides for a definition of Cause, as defined therein; and (b) with respect to all other Participants, (i) the commission of, or plea of guilty or no contest to, a felony or a crime involving moral turpitude or the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company or an Affiliate; (ii) conduct tending to bring the Company into substantial public disgrace or disrepute; (iii) gross negligence or willful misconduct with respect to the Company or an Affiliate; or (iv) material violation of state or federal securities laws. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause.

"Change in Control" means:

(a) with respect to the Company, (i) a sale of all or substantially all of the equity or assets of the Company to an unrelated Person (a "Sale"); or (ii) any merger or consolidation of the Company with another Person if, immediately after giving effect thereto, any Person (or group of Persons acting in concert) other than the Persons holding greater than 50% of the outstanding Common Stock immediately prior thereto (the "Majority Holders") have the power to designate or approve a majority of the members of the board of directors of the Surviving Entity; and

(b) with respect to any Affiliate, as applicable (including, without limitation, the sale of all or substantially all of the assets of the Company or other Affiliate together with such company's subsidiaries, taken as a whole), (i) a Sale of such Affiliate; or (ii) any merger or consolidation of the Affiliate with another Person if, immediately after giving effect thereto, any Person (or group of Persons acting in concert) other than the Affiliate Majority Holders immediately prior thereto have the power to designate or approve a majority of the members of the board of directors of the Affiliate or the surviving entity, that also constitutes a "change in the ownership of a corporation," a "change in the effective control of a corporation," or a "change in the ownership of a substantial portion of a corporation's assets," in each case, within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations.

The foregoing notwithstanding, a transaction will not constitute a Change in Control if (i) its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the Persons who held the Company's securities immediately before the transaction; (ii) it constitutes a public offering that results in any security of the Company being listed (or approved for listing), or designated (or approved for designation) as a security on any Established Securities Market; (iii) solely because 50% or more of the total voting power of the Company's then outstanding securities is acquired by a trustee or other fiduciary holding securities under one or more employee benefit plans of the Company or any Affiliate, or any company that, immediately before the acquisition, is owned directly or indirectly by the Company's stockholders in substantially the same proportion as their ownership of stock in the Company immediately before the acquisition; or (iv) it results solely from a change in ownership of an existing stockholder.

"Code" means the Internal Revenue Code of 1986, as amended.

"Committee" means a committee of one or more members of the Board appointed by the Board to administer the Plan in accordance withSection 3(e).

"Common Stock" means the Company's Class A common stock, $.001 par value per Share.

"Company" means Construction Partners, Inc., a Delaware corporation.

"Consultant" means any natural person who provides bona fide consulting or advisory services to the Company or an Affiliate under a written agreement, which services are not in connection with the offer or sale of securities in a capital raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

"Continuous Service" means the uninterrupted service of a Participant with the Company or an Affiliate as an Employee, Director or Consultant. A Participant's Continuous Service will not be deemed interrupted or terminated merely because of a change in the capacity in which the Participant renders service, such as a change in status from Employee to Consultant or Director, or a change in the entity for which the Participant renders service, such as from the Company to an Affiliate, so long as there is no interruption or termination of the Participant's service. The Administrator or its delegate, in its sole discretion, may determine whether Continuous Service will be considered interrupted in the case of any approved leave of absence, including sick leave, military leave or any other personal or family leave of absence.

"Date of Grant" means the first date on which all necessary corporate action has been taken by the Administrator to approve the grant of an Award to a Participant as provided under the Plan, provided the key terms and conditions of the Award are communicated to the Participant within a reasonable period thereafter; or such later date as is designated by the Administrator and specified in the Award Agreement. In any situation where the terms of the Award are subject to negotiation with the Participant, the Date of Grant will not be earlier than the date the key terms and conditions of the Award are communicated to the Participant.

"Detrimental Activity" means any of the following: (a) disclosure of the Company's confidential information to any Person outside the Company, without prior written authorization from the Company or in conflict with the interests of the Company, whether the confidential information was acquired or disclosed by the Participant during or after service with the Company; (b) failure or refusal to disclose promptly or assign to the Company all right, title, and interest in any invention, work product or idea, patentable or not, made or conceived by the Participant during service with the Company, relating in any manner to the interests of the Company or, the failure or refusal to do anything reasonably necessary to enable the Company to secure a patent where appropriate in the United States and in other countries; (c) activity that is discovered to be grounds for or results in termination of the Participant's Continuous Service for Cause; (d) violation or breach of a non-disclosure, confidentiality, intellectual property, privacy, exclusivity or other restrictive covenant in any Award Agreement, Service Agreement or other agreement between the Participant and the Company; (e) any direct or indirect attempt to induce any Employee to be employed or perform services or acts in conflict with the interests of the Company; (f) any direct or indirect attempt, in conflict with the interests of the Company, to solicit the trade or business of any current or prospective customer, client, supplier or partner of the Company; (g) the conviction of, or guilty plea entered by, the Participant for any felony or a crime involving moral turpitude whether or not connected with the Company or (h) the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company. All references to "the Company" in this definition refer to the Company and any Affiliate.

"Director" means a member of the Board.

"Disability" means (a) with respect to any Participant who is a party to a Service Agreement that provides for a definition of Disability, as defined therein; and (b) with respect to any other Participant, the Participant's inability to substantially perform his or her duties to the Company or any Affiliate by reason of a medically determinable physical or mental impairment that is expected to last for a period of six months or longer or to result in death. Notwithstanding the foregoing, for purposes of determining the term of an Incentive Stock Option under Section 11(b)(iii), "Disability" means permanent and total disability as defined in Code Section 22(e)(3). The Administrator will determine whether an individual has a Disability under procedures established by the Administrator. Other than for determinations of Disability for purposes of the term of an Incentive Stock Option under Section 11(b)(iii), the Administrator may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Participant participates.

"Effective Date" means August 19, 2016, the date of the Plan's original adoption by the Compensation Committee of the Board.

"Employee" means a common law or statutory employee of the Company or an Affiliate. Mere service as a Director or payment of a Director's fee by the Company or an Affiliate is not sufficient by itself to constitute being an Employee.

"Established Securities Market" means a national securities exchange that is registered under Section 6 of the Exchange Act, a foreign national securities exchange that is officially recognized, sanctioned or supervised by governmental authority or any over-the-counter market that is reflected by the existence of an interdealer quotation system.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exercise Price" means the price per Share at which the holder of an Option may buy an underlying Share on exercise of the Option.

"Fair Market Value" means, as of the date of any valuation event, the value per Share determined using a presumptively reasonable valuation method under Treasury Regulation section 1.409A-1(b)(5)(iv), as follows:

(i) The Fair Market Value on the date of the Company's initial public offering (as described in Section 12(f)(1)(G) of the Exchange Act) of its Common Stock will be the initial price per Share to the public on that date.

(ii) On any date on which the Common Stock is admitted to trading on an Established Securities Market for which closing prices are reported on any date, Fair Market Value may be determined based on (1) the last sale before or the first sale after the Date of Grant of an Award or any other valuation event; (2) the closing price on the last trading day before the Date of Grant of an Award or any other valuation event; (3) the closing price on the Date of Grant or any other valuation event or (4) an average selling price during a specified period that is within 30 days before or 30 days after the Date of Grant of an Award, on condition that the commitment to grant an Award based on an average selling price during a specified period must be irrevocable before the beginning of the specified period, and the valuation method must be used consistently for grants of Awards under the Plan and substantially similar programs.

(iii) If the Common Stock is readily tradable on an Established Securities Market but closing prices are not reported, Fair Market Value may be determined based on (1) the average of the highest bid and lowest asked prices reported on the last trading day before the Date of Grant of an Award or any other valuation event or on the Date of Grant or any other valuation event or (2) an average of the highest bid and lowest asked prices during a specified period that is within 30 days before or 30 days after the Date of Grant of an Award, on condition that the commitment to grant an Award based on an average selling price during a specified period must be irrevocable before the beginning of the specified period, and the valuation method must be used consistently for grants of Awards under the Plan and substantially similar programs.

(iv) At any time the Common Stock is not readily tradable on an Established Securities Market, the Administrator will determine the Fair Market Value through the reasonable application of a reasonable valuation method based on the facts and circumstances as of the valuation date, including, at the election of the Administrator, by an independent appraisal that meets the requirements of Code Section 401(a)(28)(C) and the regulations issued thereunder as of a date that is no more than 12 months before the relevant transaction to which the valuation is applied (for example, an Option's Date of Grant), and that determination will be conclusive and binding on all Persons.

(v) Notwithstanding anything herein to the contrary, in the event of a Change in Control or other transaction described under Section 14(c), Fair Market Value means the price per Share paid or payable to the Company's stockholders in such transaction.

"Grant Price" means the base value per Share of a Stock Appreciation Right, as determined by the Administrator and as set forth in the Award Agreement.

"Incentive Stock Option" means an Option intended to qualify as an incentive stock option under Section 422 of the Code and the regulations issued thereunder.

"Non-Employee Director" means a "non-employee director" as defined in Rule 16b-3(b)(3) under the Exchange Act.

"Nonqualified Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

"Officer" means an individual who is an "officer" of the Company as defined in Rule 16a-1(f) issued under the Exchange Act.

"Option" means an Incentive Stock Option or a Nonqualified Stock Option granted under the Plan.

"Participant" means an individual to whom an Award is granted under the Plan or, if applicable, such other Person who holds an outstanding Award.

"Performance Award" means an Award granted under Section 9.

"Performance Stock" means Restricted Stock granted under a Performance Award.

"Performance Stock Unit" means a Restricted Stock Unit granted under a Performance Award.

"Permitted Transferee" means a Participant's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any individual sharing the Participant's household (other than a tenant or employee), a trust in which these individuals (or the Participant) have more than 50% of the beneficial interest, a foundation in which these individuals (or the Participant) control the management of assets, any other entity in which these individuals (or the Participant) own more than 50% of the voting interests, or such other transferee as may be permitted by the Administrator in its sole discretion.

"Person" means an individual, partnership, limited liability company, corporation, association, joint stock company, trust, joint venture, labor organization, unincorporated organization, governmental entity or political subdivision thereof or any other entity, and includes a syndicate or group as those terms are used in Section 13(d)(3) or 14(d)(2) of the Exchange Act.

"Plan" means this Construction Partners, Inc. 2018 Equity Incentive Plan, which is an amendment and restatement of the SunTX CPI Growth Company, Inc. 2016 Equity Incentive Plan, as it may be amended from time to time.

"Restricted Award" means an Award of Restricted Stock or Restricted Stock Units granted under Section 7.

"Restricted Period" has the meaning set forth in Section 7.

"Restricted Stock" means Shares granted under an Award that are subject to certain restrictions and risk of forfeiture.

"Restricted Stock Unit" means a hypothetical unit granted under an Award evidencing the right to receive one Share or an equivalent value in cash equal to the Fair Market Value (as determined by the Administrator) in the future, which right is subject to certain restrictions and risk of forfeiture.

"Securities Act" means the Securities Act of 1933, as amended.

"Service Agreement" means a written employment agreement, consulting or other service agreement or an employment policy manual, the terms of which have been approved by the Administrator, applicable to a Participant's employment or service with the Company or an Affiliate.

"Share" means one share of Common Stock.

"Stock Appreciation Right" means the right under an Award to receive an amount equal to the difference between the Fair Market Value as of the date of exercise and the Grant Price, multiplied by the number of Shares for which the Award is exercised, as determined under Section 7.

"Surviving Entity" means the Company if immediately following any merger, consolidation or similar transaction, the holders of outstanding voting securities of the Company immediately before the merger or consolidation own equity securities possessing more than 50% of the voting power of the entity existing following the merger, consolidation or similar transaction. In all other cases, the other entity to the transaction and not the Company will be the Surviving Entity. In making the determination of ownership by the stockholders of an entity immediately after the merger, consolidation or similar transaction, equity securities that the stockholders owned immediately before the merger, consolidation or similar transaction as

stockholders of another party to the transaction will be disregarded. Further, outstanding voting securities of an entity will be calculated by assuming the conversion of all equity securities convertible (immediately or at some future time whether or not contingent on the satisfaction of performance goals) into securities entitled to vote.

3. Administration

(a) Administrator. The Compensation Committee of the Board shall administer the Plan unless and until the Board delegates administration to a different Committee or vests authority in the Board for the administration of the Plan, as provided in Section 3(e).

(b) Authority of Administrator. The Administrator will have the power and authority to select Participants and grant Awards under the terms of the Plan.

(c) Specific Authority. In particular, the Administrator will have the authority to:

(i) construe and interpret the Plan and apply its provisions;

(ii) promulgate, amend, and rescind rules and regulations relating to the administration of the Plan;

(iii) authorize any Person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;

(iv) delegate its authority to one or more Officers of the Company with respect to Awards that do not involve any individual who is subject to Section 16 of the Exchange Act, which delegation shall be by a resolution that specifies the total number of Shares that may be subject to Awards by the Officer and the Officer may not make an Award to himself or herself;

(v) determine when Awards are to be granted under the Plan;

(vi) select, subject to the limitations set forth in the Plan, those Participants to whom Awards will be granted;

(vii) determine the number of Shares to be made subject to each Award;

(viii) determine whether each Option is to be an Incentive Stock Option or a Nonqualified Stock Option;

(ix) prescribe the terms and conditions of each Award, including, without limitation, the Grant Price or Exercise Price and medium of payment, vesting provisions, and to specify the provisions of the Award Agreement relating to the grant or sale;

(x) subject to the restrictions applicable under Section 15(c), amend any outstanding Awards, including for the purpose of modifying the time or manner of vesting, the purchase price, Exercise Price or Grant Price or the term of any outstanding Award;

(xi) determine the duration and purpose of leaves of absences that may be granted to a Participant without constituting termination of their Continuous Service for purposes of the Plan, which periods will be no shorter than the periods generally applicable to Employees under the Company's employment policies or as required under applicable law;

(xii) make decisions with respect to outstanding Awards that may become necessary on a Change in Control or an event that triggers capital adjustments; and

(xiii) exercise discretion to make any and all other determinations that it may determine to be necessary or advisable for administration of the Plan.

(d) Decisions Final. All decisions made by the Administrator under the provisions of the Plan will be final and binding on the Company and the Participants, unless a decision is determined by a court having jurisdiction to be arbitrary and capricious.

(e) The Committee.

(i) General. The Board may delegate administration of the Plan to a Committee or Committees of one or more members of the Board, and the term "Committee" applies to any Person or Persons to whom that authority has been delegated. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in the Plan to the Administrator will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, consistent with the provisions of the Plan, as the Board may adopt. The Board may abolish the Committee at any time and re-vest in the Board the administration of the Plan. The members of the Committee will be appointed by and serve at the pleasure of the Board. The Board may increase or decrease the size of the Committee, add additional members to, remove members (with or without Cause) from, appoint new members in substitution therefor, and fill vacancies, however caused, in the Committee. The Committee shall act by a vote of the majority of its members or, in the case of a Committee comprised of only two members, the unanimous consent of its members, whether present or not, or by the written consent of the majority of its members and shall keep minutes of all of its meetings. Subject to the limitations prescribed by the Plan and the Board, the Committee may establish and follow such rules and regulations for the conduct of its business as it may determine to be advisable.

(ii) Committee Composition when Registration is Required. Whenever any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act, in the discretion of the Board, a Committee may consist solely of two or more Non-Employee Directors. The Board has sole discretion to determine whether it intends to comply with the exemption requirements of Rule 16b-3 under the Exchange Act. However, if the Board intends to satisfy such exemption requirements, with respect to Awards to any Officer or Director, the Committee will at all times consist solely of two or more Non-Employee Directors. Within the scope of that authority, the Board or the Committee may delegate to a committee of one or more members of the Board who are not Non-Employee Directors the authority to grant Awards to eligible individuals who are not Officers, Directors, "beneficial owners" (as defined in Rule 16a 1(a)(1) under the Exchange Act) of more than 10% of any class of equity securities of

the Company registered under Section 12 of the Exchange Act or otherwise subject to Section 16 of the Exchange Act. Nothing in this Section 3(e)(ii) is intended to create an inference that an Award granted other than by a committee of the Board consisting at all times solely of two or more Non-Employee Directors is not validly granted under the Plan.

(f) Indemnification. In addition to such other rights of indemnification as they may have as Directors or members of the Committee, and to the extent allowed by applicable law, the Company will indemnify the Administrator against the reasonable expenses, including attorney's fees, actually incurred in connection with any action, suit or proceeding or in connection with any appeal thereof, to which the Administrator may be party by reason of any action taken or failure to act under or in connection with the Plan or any Award granted under the Plan, and against all amounts paid by the Administrator in settlement thereof (subject, however, to the Company's approval of the settlement, which approval the Company will not unreasonably withhold) or paid by the Administrator in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it is adjudged in the action, suit or proceeding that the Administrator did not act in good faith and in a manner that the Person reasonably believed to be in the best interests of the Company, and in the case of a criminal proceeding, had no reason to believe that the conduct complained of was lawful. Notwithstanding the foregoing, it is a condition precedent to the Company's obligations in this Section 3(f) that within 60 days after institution of any such action, suit or proceeding, the Administrator or Committee member offer the Company in writing the opportunity at its own expense to handle and defend the action, suit or proceeding.

4. Shares Subject to the Plan

(a) Share Reserve. Subject to adjustment under Section 14(a), the maximum aggregate number of Shares that may be issued on exercise or vesting of all Awards under the Plan is 2,000,000 Shares, all of which may be used for any Awards. Each Share subject to any Award granted hereunder will be counted against the Share reserve on the basis of one Share for every Share subject thereto.

(b) Return of Shares to the Share Reserve. If any Award for any reason is forfeited, cancelled, expires or otherwise terminates, in whole or in part, the unissued Shares under the Award will revert to and again become available for issuance under the Plan. Notwithstanding the foregoing, Shares used to pay the Exercise Price of an Option or to satisfy a Participant's tax obligations for any Award, whether tendered to or withheld by the Company, will not be available again for other Awards under the Plan, and all Shares underlying any Stock Appreciation Right, or any other Award that is settled in cash and not in Shares, will not be counted against the foregoing Share reserve. Notwithstanding anything in this Section 4 to the contrary and subject to adjustment under Section 14(a), the maximum number of Shares that may be issued on the exercise of Incentive Stock Options will equal the aggregate number of Shares stated in subsection (a) plus, to the extent permitted under Section 422 of the Code and the Treasury regulations thereunder, any Shares that become available for issuance under the Plan under this Section 4(b).

(c) Source of Shares. Shares issued under an Award may consist of authorized and unissued Shares, Shares held by the Company as treasury shares and Shares purchased on the open market, and may be subject to restrictions deemed appropriate by the Administrator.

5. Award Eligibility and Limitations

(a) Restricted Awards, Performance Awards and other Stock-Based Awards may be granted to any Employee, Director or Consultant of the Company or any Affiliate.

(b) Nonqualified Stock Options and Stock Appreciation Rights may be granted to any Employee, Director or Consultant of the Company or of a direct or indirect majority-owned subsidiary of the Company with respect to which the Company, on the Date of Grant, is an "eligible issuer" under Treasury Regulation section 1.409A-1(b)(5)(iii)(E)(1).

(c) Incentive Stock Options may be granted only to an Employee of the Company or a corporation that, on the Date of Grant, is a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Sections 424(e) and 424(f), respectively.

(d) Director Awards.

(i) Each Non-Employee Director of the Company will be eligible to receive discretionary grants of Awards under the Plan. If the Board or the compensation committee of the Board separately has adopted or in the future adopts a compensation policy covering some or all Non-Employee Directors that provides for a predetermined formula grant that specifies the type of Award, the timing of the Date of Grant and the number of Shares to be awarded under the terms of the Plan, that formula grant will be incorporated herein by reference and will be administered as if provided under the terms of the Plan without any requirement that the Administrator separately take action to determine the terms of those Awards.

(ii) Subject to capitalization adjustment under Section 14(a), the aggregate dollar value of Awards (calculated as the Date of Grant fair value of such Awards for financial reporting purposes) granted under this Plan or otherwise during any calendar year to any non- Non-Employee Director will not exceed $750,000, rounded up to the nearest full Share. The foregoing limit may be multiplied by two with respect to Awards granted in the calendar year in which a Non-Employee Director first joins the Board.

6. Options

Each Option will be in such form and will contain such terms and conditions as the Administrator deems appropriate. All Options will be separately designated Incentive Stock Options or Nonqualified Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for Shares purchased on exercise of each type of Option. Notwithstanding the foregoing, the Company will have no liability to any Participant or any other Person if an Option designated as an Incentive Stock Option fails to qualify as an Incentive Stock Option at any time. No dividends or dividend equivalents will be paid on any Option. The provisions of separate Options need not be identical, but each Option will include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

(a) Term and Expiration. The term during which an Option is exercisable will be the period determined by the Administrator as set forth in the applicable Award Agreement, provided that no Option may be exercisable later than 10 years after the Date of Grant.

(b) Exercise Price. The Exercise Price for each Option will be equal to or greater than the Fair Market Value on the Date of Grant; provided that an Option granted under an assumption or substitution for another stock option in a manner satisfying the provisions of Section 424(a) of the Code, as if the Option was a statutory stock option, may be granted with an Exercise Price lower than the Fair Market Value on the Date of Grant.

(c) Term and Exercise Price of Incentive Stock Options Granted to Ten Percent Stockholders Notwithstanding the foregoing, no Incentive Stock Option granted to an Employee who owns (or is deemed under Section 424(d) of the Code to own) more than 10% of the total combined voting power of all classes of stock of the Company or of any "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Sections 424(e) and 424(f), respectively, may be exercisable later than five years after the Date of Grant or have an exercise price that is less than 110% of the Fair Market Value on the Date of Grant.

(d) Repricing Prohibited. Except as otherwise provided in Section 14, without the prior approval of the Company's stockholders: (i) the Exercise Price of an Option may not be directly or indirectly reduced; (ii) no Option may be cancelled in exchange for cash, an Option or Stock Appreciation Right with an Exercise Price or Grant Price that is less than the Exercise Price of the original Option, any other Award or otherwise and (iii) the Company shall not purchase an Option for value from a Participant if the current Fair Market Value of the Shares underlying the Option is lower than the Option's Exercise Price.

(e) Payment of Exercise Price. The Exercise Price for Shares purchased under an Option will be paid in cash or by certified or bank check at the time the Option is exercised, or, to the extent permitted by applicable laws and regulations, in the Administrator's sole discretion and on such terms as the Administrator approves: (i) by tendering previously-acquired Shares (either actually or by attestation), duly endorsed for transfer to the Company, valued at their Fair Market Value on the date of delivery; (ii) by a copy of instructions directing a broker to sell Shares for which the Option is exercised and to remit to the Company the aggregate Exercise Price due for the number of Shares being purchased; (iii) by a "net exercise" method whereby the Company withholds from the delivery of the Shares for which the Option was exercised that number of Shares having a Fair Market Value equal to the aggregate Exercise Price for the Shares for which the Option was exercised, upon which the Option will be surrendered and cancelled with respect to the total number of Shares for which the Option was exercised; or (iv) in any other form of legal consideration that may be acceptable to the Administrator, including without limitation with a full-recourse promissory note, subject to any requirements of applicable law that the par value (if any) of Shares, if newly issued, be paid in cash or cash equivalents.

(f) Terms for Payment by Promissory Note

(i) The interest rate payable under the terms of a promissory note will not be less than the minimum rate (if any) required to avoid the imputation of additional interest under the Code. Subject to the foregoing, the Administrator (in its sole discretion) will specify the term, interest rate, amortization requirements (if any) and other provisions of the note. Unless the Administrator determines otherwise, the holder will be required to pledge to the Company Shares having an aggregate Fair Market Value equal to or greater than the principal amount of the loan as security for payment of the unpaid balance of the loan, which pledge must be evidenced by a pledge agreement, the terms of which the Administrator will determine, in its discretion; except that each loan must comply with all applicable laws, regulations and rules of the Board of Governors of the Federal Reserve System and any other governmental agency having jurisdiction. Unless the Administrator determines otherwise, the purchase price of Shares acquired under an Option that is paid by delivery (or attestation) to the Company of other shares acquired, directly or indirectly, from the Company, will be paid only by Shares that satisfy any requirements necessary to avoid liability award accounting treatment.

(ii) Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or Officer (or equivalent thereof) of the Company or an Affiliate will be permitted to pay any part of the Exercise Price with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act. Unless otherwise provided in the terms of an Award Agreement, payment of the Exercise Price by a Participant who is an Officer, a Director or otherwise subject to Section 16 of the Exchange Act, by delivery or attestation to the Company of other Shares acquired, directly or indirectly, from the Company is subject to pre-approval by the Administrator, in its sole discretion. The Administrator will document any suchpre-approval in a manner that complies with the specificity requirements of Rule 16b-3 under the Exchange Act.

(g) Vesting. The Option may, but need not, vest and thereby become exercisable in periodic installments that may, but need not, be equal. The Option may be subject to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the Administrator determines to be appropriate. The vesting provisions of individual Options may vary. The Administrator may, but will not be required to, provide that no Option may be exercised for a fraction of a Share. The Administrator may, but will not be required to, provide for an acceleration of vesting and exercisability in the terms of the Award Agreement for any Option upon the occurrence of a specified event.

(h) Incentive Stock Option $100,000 Limitation. To the extent that the aggregate Fair Market Value of Common Stock on the Date of Grant with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and any "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f), respectively) exceeds $100,000, the Options or portions thereof which exceed that limit (according to the order in which they were granted) will be treated as Nonqualified Stock Options.

(i) Early Exercise. The Option may, but need not, include a provision whereby the Participant may elect at any time before the Participant's Continuous Service terminates to exercise the Option as to any part or all of the Shares subject to the Option prior to the full vesting of the Option. In that case, the Shares acquired on exercise will be subject to the vesting schedule that otherwise would apply to determine the exercisability of the Option. Any unvested Shares so purchased may be subject to any other restriction the Administrator determines to be appropriate.

(j) Employee Transfer, Approved Leave of Absence. For purposes of Incentive Stock Options, no termination of employment by an Employee will be deemed to result from either (i) a transfer to the employment of the Company from a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f), respectively, from the Company to a parent corporation or subsidiary corporation or from one parent or subsidiary corporation to another; or (ii) an approved leave of absence for military service or sickness or for any other purpose approved by the Company, if the period of leave does not exceed three months or, if longer, the Employee's right to re-employment is guaranteed either by a statute or by contract.

(k) Disqualifying Dispositions. Each Participant awarded an Incentive Stock Option will be required to immediately notify the Company in writing as to the occurrence of a disqualifying disposition of any Shares acquired by exercise of the Incentive Stock Option, and the price realized on the disqualifying disposition of those shares. A "disqualifying disposition" is any disposition (including, without limitation, any sale or transfer) before the later of (i) two years after the Date of Grant of the Incentive Stock Option or (ii) one year after the issuance of the shares acquired by exercise of the Incentive Stock Option. The Company may, if determined by the Administrator and in accordance with procedures established by the Administrator, retain possession of any Shares acquired by exercise of an Incentive Stock Option as agent for the applicable Participant until the end of the period described in the preceding sentence.

7. Stock Appreciation Rights

A Stock Appreciation Right may be granted either alone or in tandem with all or part of an Option. A Stock Appreciation Right granted in tandem with a Nonqualified Stock Option may be granted at or after the time of grant of the related Option, but a Stock Appreciation Right granted in tandem with an Incentive Stock Option may be granted only at the time of the grant of the related Option.

(a) Grant Requirements. A Stock Appreciation Right may be granted only if it does not provide for the deferral of compensation within the meaning of Section 409A of the Code. A Stock Appreciation Right does not provide for a deferral of compensation if: (i) the Grant Price may never be less than the Fair Market Value on the Date of Grant, (ii) the compensation payable under the Stock Appreciation Right can never be greater than the difference between the Fair Market Value on the date of exercise and the Grant Price, (iii) the number of Shares, as applicable, subject to the Stock Appreciation Right is fixed on the Date of Grant, and (iv) the Stock Appreciation Right does not include any feature for the deferral of compensation other than the deferral of recognition of income until the exercise of the right. No dividends or dividend equivalents may be paid on any outstanding Stock Appreciation Right.

(b) Grant Price. The Administrator will determine the Grant Price of a Stock Appreciation Right, which in the case of a Stock Appreciation Right granted independent of any Option will not be less than the Fair Market Value on the Date of Grant. The Grant Price of a Stock Appreciation Right granted in tandem with an Option will be the Exercise Price of the

related Option. A Stock Appreciation Right granted in tandem with an Option will be exercisable only to the same extent as the related Option, provided that by its terms, such Stock Appreciation Right will be exercisable only when the Fair Market Value exceeds the Grant Price of the Stock Appreciation Right.

(c) Repricing Prohibited. Except as otherwise provided in Section 14, without the prior approval of the Company's stockholders: (i) the Grant Price of a Stock Appreciation Right may not be directly or indirectly reduced; (ii) a Stock Appreciation Right may not be cancelled in exchange for cash, an Option or Stock Appreciation Right with an Exercise Price or Grant Price that is less than the Grant Price of the original Stock Appreciation Right, any other Award or otherwise; and (iii) the Company may not purchase a Stock Appreciation Right for value from a Participant if the current Fair Market Value is less than the Stock Appreciation Right's Grant Price.

(d) Vesting. The Stock Appreciation Right will be subject to a Restricted Period that specifies forfeiture in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Stock Appreciation Right upon a specified event, including without limitation a Change in Control.

(e) Exercise and Settlement. Upon delivery to the Administrator of a written request to exercise a Stock Appreciation Right, the holder will be entitled to receive from the Company, an amount equal to the product of (i) the excess of the Fair Market Value on the date of exercise over the Grant Price specified in the Award Agreement, multiplied by (ii) the number of Shares for which the Stock Appreciation Right is being exercised. Settlement with respect to the exercise of a Stock Appreciation Right will be on the date of exercise and may be made in the form of Shares valued at Fair Market Value on the date of exercise (with or without restrictions as to substantial risk of forfeiture and transferability, as determined by the Administrator in its sole discretion), cash or a combination of Shares and cash, as determined by the Administrator in its sole discretion.

(f) Reduction in the Underlying Option Shares. On the exercise of a Stock Appreciation Right granted in tandem with an Option, the number of Shares for which the related Option is exercisable will be reduced by the number of such Shares for which the Stock Appreciation Right has been exercised. The number of Shares for which a tandem Stock Appreciation Right is exercisable will be reduced on any exercise of any related Option by the number of such Shares for which the Option has been exercised.

(g) Written Request. Unless otherwise determined by the Administrator in its sole discretion, Stock Appreciation Rights will be settled in Shares as specified in the Award Agreement. If permitted in the Award Agreement, a Participant may request that any exercise of a Stock Appreciation Right be settled for cash, but a Participant will not have any right to demand a cash settlement. A request for a cash settlement may be made only by a written request filed with the Corporate Secretary of the Company during the period beginning on the third business day following the date of release for publication by the Company of quarterly or annual summary statements of earnings and ending on the twelfth business day following that date. Within 30 days of the receipt by the Company of a written request to receive cash in full or

partial settlement of a Stock Appreciation Right or to exercise the Stock Appreciation Right for cash, the Administrator will, in its sole discretion, either consent to or disapprove, in whole or in part, the written request. A written request to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise a Stock Appreciation Right for cash may provide that, if the Administrator disapproves the written request, the written request will be treated as an exercise of the Stock Appreciation Right for Shares.

(h) Disapproval by Administrator. If the Administrator disapproves in whole or in part any request by a Participant to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise such Award for cash, the disapproval will not affect the Participant's right to exercise the Stock Appreciation Right at a later date, to the extent that it would be otherwise exercisable, or to request a cash form of payment at a later date, in each case subject to the approval of the Administrator. Additionally, the disapproval will not affect the Participant's right to exercise any related Option.

8. Restricted Awards

A Restricted Award is an Award of Restricted Stock or Restricted Stock Units, which provides that, except as otherwise provided in Section 16(d) with respect to Permitted Transferees, the Restricted Award may not be sold, assigned, transferred or otherwise disposed of, pledged or otherwise encumbered for the period (the "Restricted Period") determined by the Administrator. Each Restricted Award will be in such form and will contain such terms, conditions, and Restricted Periods as the Administrator determines to be appropriate, including the treatment of dividends or dividend equivalents, as the case may be. The terms and conditions of the Restricted Award may change from time to time, and the terms and conditions of separate Restricted Awards need not be identical, but each Restricted Award must include (through incorporation of provisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:

(a) Payment for Restricted Awards. The purchase price of Shares acquired under a Restricted Award, if any, will be determined by the Administrator and may be stated as cash, property or services rendered or to be rendered to the Company or an Affiliate for its benefit. Shares acquired in connection with a Restricted Award may be issued for such consideration, having a value not less than the par value thereof, as may be determined by the Administrator. Required consideration for Shares acquired in connection with a Restricted Award may be paid: (i) in cash at the time of purchase; or (ii) in any other form of legal consideration that may be acceptable to the Administrator in its discretion including, without limitation, a recourse promissory note, property or services that the Administrator determines have a value at least equal to the purchase price of the Restricted Award. Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or Officer (or equivalent thereof) of the Company or an Affiliate will be permitted to pay any portion of the purchase price for Shares acquired under a Restricted Award with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act.

(b) Vesting. The Restricted Award, and any Shares acquired thereunder, may, but need not, be subject to a Restricted Period that specifies a repurchase right in favor of the Company, or forfeiture where the consideration was in the form of services, in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Restricted Award, at any time, including upon a Change in Control. The Administrator in its discretion may grant a Restricted Award that is, in whole or in part, vested upon grant and not subject to a Restricted Period.

(c) Concurrent Tax Payment. The Administrator may, in its sole discretion, provide for payment of a concurrent cash award in an amount equal to all or part of the estimated after-tax amount required to satisfy applicable federal, state or local tax withholding obligations arising from the receipt and deemed vesting of Restricted Stock for which an election under Code Section 83(b) may be required.

(d) Lapse of Restrictions. Subject to the Participant's Continuous Service, upon the expiration or termination of the Restricted Period and the satisfaction of any other conditions prescribed by the Administrator (including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Award), the restrictions applicable to the Restricted Award will lapse and the number of Shares with respect to which the restrictions have lapsed will be issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company, or by delivery of a stock certificate), free of any restrictions except those that may be imposed by law, the terms of the Plan or the terms of a Restricted Award, to the Participant or the Participant's beneficiary or estate, as the case may be, unless the Restricted Award is subject to a deferral condition that complies with Section 409A of the Code and the regulations thereunder as may be allowed or required by the Administrator in its sole discretion. The Company will not be required to deliver any fractional Share but may pay, in lieu thereof, the Fair Market Value of the fractional share in cash to the Participant or the Participant's beneficiary or estate, as the case may be. With respect only to Restricted Stock Units, unless otherwise subject to a deferral condition that complies with Section 409A of the Code, the Shares (or cash, as applicable) will be issued and the Participant will be entitled to the beneficial ownership rights thereof not later than (i) the date that is 2 ½ months after the end of the Participant's taxable year (or the end of the Company's taxable year, if later) for which the Restricted Period ends and the Restricted Stock Unit is no longer subject to a substantial risk of forfeiture, or (ii) such earlier date as may be necessary to avoid application of Section 409A of the Code to the Award.

(e) Stockholder Rights. Unless otherwise provided by the Administrator in an Award Agreement, the holder of shares of Restricted Stock will be entitled to vote such Shares. Dividends, if any, paid on shares of Restricted Stock will be held by the Company, without interest, until such time as the restrictions lapse on the related shares of Restricted Stock. Dividends on shares of Restricted Stock that are forfeited will also be forfeited to the Company.

(f) Dividends on Restricted Stock Units. In the case of Restricted Stock Units, the Participant will not be entitled to receive dividends or dividend equivalents unless the Award Agreement specifically provides therefor.

(g) Delivery of Restricted Stock. Shares of Restricted Stock will be delivered to the Participant on the Date of Grant either by book-entry registration or by delivering to the Participant, or to a custodian or escrow agent (including, without limitation, the Company or one

or more of its Employees) designated by the Administrator, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of the Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Shares.

9. Performance Awards

The Administrator may designate any Award as a Performance Award, which will vest only on the attainment of performance goals specified in the Award Agreement. Performance Awards may be granted independent of or in connection with the granting of any other Award under the Plan. A Performance Award may be granted under the Plan to any Participant, including a Participant who qualifies for awards under other performance plans of the Company. The Administrator will determine in its sole discretion whether and to whom Performance Awards will be granted, the performance goals for each Performance Award, the performance period or periods for measuring performance, and all other limitations and conditions applicable to Performance Awards. The Administrator, in its sole discretion, may rely on the performance goals and other standards applicable to other performance plans of the Company in setting the standards for Performance Awards under the Plan.

(a) Performance Goals.

(i) A performance goal will be based on apre-established formula or standard that specifies the manner of determining the number of Shares under the Performance Award that will be issued or will vest if the performance goal is attained. Performance goals may be based on one or more business criteria, which may be applied to a Participant, a business unit or the Company and its Affiliates, including without limitation one or any combination of the following: (1) revenues; (2) earnings before all or any of interest expense, taxes, depreciation and/or amortization ("EBIT," "EVITA," or "EBITDA"); (3) funds from operations; (4) funds from operations per share; (5) operating income; (6) operating income per share; (7) pre-tax or after-tax income; (8) net cash provided by operating activities; (9) cash available for distribution; (10) cash available for distribution per share; (11) working capital and components thereof; (12) sales (net or gross) measured by product line, territory, customer or customers or other category; (13) return on equity or average stockholders' equity; (14) return on assets; (15) return on capital; (16) enterprise value or economic value added; (17) share price performance; (18) improvements in the Company's attainment of expense levels; (19) implementation or completion of critical projects; (20) improvement in cash-flow (before or after tax); (21) net earnings; (22) earnings per share; (23) earnings from continuing operations; (24) net worth; (25) credit rating; (26) levels of expense, cost or liability by category, operating unit or any other delineation; (27) any increase or decrease of one or more of the foregoing over a specified period; or (28) the occurrence of a Change in Control.

(ii) A performance goal may be measured over a performance period on a periodic, annual, cumulative or average basis and may be established on a corporate-wide basis or with respect to one or more operating units, divisions, subsidiaries, acquired businesses, minority investments, facilities, partnerships or joint ventures. More than one performance goal may be incorporated in a performance objective, in which case achievement with respect to each performance goal may be assessed individually or in combination with each other. The

Administrator may, in connection with the establishment of performance goals for a performance period, establish a matrix setting forth the relationship between performance on two or more performance goals and the amount of the Performance Award payable for that performance period. The level or levels of performance specified with respect to a performance goal may be established in absolute terms, as objectives relative to performance in prior periods, as an objective compared to the performance of one or more comparable companies or an index covering multiple companies on a per share basis, against the performance of the Company as a whole or against particular entities, segments, operating units or products of the Company, on a pre-tax or after-tax basis, in tandem with any other performance goal, or otherwise as the Administrator may determine. The Administrator may, in connection with the establishment of performance goals for a performance period, specify one or more adjustments to any of the business criteria specified in Section 9(a)(i).

(iii) Performance goals may be objective or subjective and may differ for Performance Awards granted to any one Participant or to different Participants. A Performance Award may provide, as determined by the Administrator, that if the Participant's Continuous Service ceases before the end of the performance period for any reason, the Performance Award will be payable only if the applicable performance objectives are achieved and to the extent, if any, determined by the Administrator. Performance goals may be based on increases in a specific business criterion, on maintaining the status quo or on limiting economic losses.

(iv) The Administrator may provide in any Performance Award that any evaluation of performance may include or exclude the effect, if any, on reported financial results of objectively determinable events that occur during a performance period, including, without limitation: (1) asset write-downs; (2) litigation or claim judgments or settlements; (3) changes in tax laws, accounting principles or other laws or provisions; (4) reorganization or restructuring programs, including share repurchasing programs; (5) acquisitions or divestitures; (6) foreign currency exchange translations gains and losses; (7) any loss from a discontinued operation as described in the Accounting Standards Codification Topic 360; (8) goodwill impairment charges; (9) revenue or earnings attributable to minority ownership in another entity; (10) any amounts accrued by the Company or an Affiliate pursuant to management bonus plans or cash profit sharing plans and related employer payroll taxes for the fiscal year; (11) any discretionary or matching contributions made to a savings and deferred profit-sharing or deferred compensation plan for the fiscal year; (12) interest, expenses, taxes, depreciation and depletion, or amortization and accretion charges; or (13) gains and losses that are treated as extraordinary items under Accounting Standards Codification Topic 225.

(b) Satisfaction of Performance Goals. A Participant will be entitled to receive Shares (as evidenced either by a stock certificate or by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) under a Performance Award only upon satisfaction of all conditions specified in the Award Agreement for the Performance Award, including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Performance Award. With respect only to a Performance Stock Unit Award, Shares, or cash, as applicable, will be issued and delivered and the Participant will be entitled to the beneficial ownership rights thereof not later than (i) the date that is 2 ½ months after the end of the Participant's taxable year (or the end of the Company's taxable year, if later) for which the Performance Stock Unit Award is no longer subject to a substantial risk of forfeiture, and (ii) such earlier date as may be necessary to avoid application of Section 409A of the Code to the Performance Stock Unit Award.

(c) Acceleration, Waiver, Etc. At any time before the Participant's termination of Continuous Service, the Administrator may in its sole discretion and subject to Section 15, amend any or all of the goals, restrictions or conditions imposed under any Performance Award.

10. Other Stock-Based Awards

The Administrator may, either alone or in connection with the grant of other Awards, grant other stock-based Awards not otherwise described in the Plan that are payable in, valued in whole or in part by reference to, or are otherwise based on Shares, including without limitation dividend equivalent rights, as deemed by the Administrator consistent with the purpose of the Plan. The Administrator will determine the terms and conditions of any such Award.

11. Treatment of Awards on Termination of Continuous Service

(a) Unvested Awards Generally. Unless otherwise provided in an Award Agreement or Service Agreement, if a Participant's Continuous Service terminates for any reason, the Participant will forfeit the unvested portion of any Award acquired in consideration of services, all unvested Shares held by the Participant as of the date of termination under the terms of any Award will be forfeited or, if applicable, may be repurchased by the Company at the lesser of the purchase price paid by the Participant or the current Fair Market Value, and the Participant will have no rights with respect to any Award or Shares so forfeited or repurchased.

(b) Options and Stock Appreciation Rights.

(i) Other than for Cause, death or Disability. Unless otherwise provided in an Award Agreement or Service Agreement, if a Participant's Continuous Service is terminated for any reason other than due to the Participant's death or Disability or by the Company for Cause, the Participant may exercise his or her Option or Stock Appreciation Right (to the extent vested and exercisable as of the date of termination) during the period ending on the earlier of (1) the date that is three months after the termination of the Participant's Continuous Service or (2) the expiration of the original term of the Award as set forth in the Award Agreement. Any unexercised Option or Stock Appreciation Right held by the Participant will automatically terminate at the close of business on the last day of such period and will thereafter not be exercisable.

(ii) For Cause. If the Participant's Continuous Service is terminated by the Company or an Affiliate for Cause, all outstanding Options and Stock Appreciation Rights (whether or not vested) will be forfeited and expire as of the beginning of business on the date of termination.

(iii) Participant Death or Disability. Unless otherwise provided in an Award Agreement or Service Agreement, if a Participant's Continuous Service is terminated as a result of the Participant's death or Disability, the Participant's Option or Stock Appreciation Right may be exercised (to the extent the Award was vested and exercisable as of the date of termination) by the Participant or the Participant's estate, designated beneficiary or such other Person who

acquired the right to exercise the Award by bequest or inheritance, but only during the period ending on the earlier of (1) the date that is 12 months following the date of termination or (2) the expiration of the original term of the Option or Stock Appreciation Right as set forth in the Award Agreement. Any unexercised Option or Stock Appreciation Right held by the Participant or such other Person will terminate at the end of such period.

(iv) Extension of Option or Stock Appreciation Right Termination Date. An Award Agreement may provide that if the exercise of an Option or Stock Appreciation Right following the termination of the Participant's Continuous Service for any reason (other than on the Participant's death or Disability or termination by the Company for Cause) would violate any applicable federal, state or local law, the Award will terminate only on the earlier of (1) the expiration of the original term of the Award or (2) the date that is 30 days after the exercise of the Award would no longer violate any applicable federal, state or local law.

12. Covenants of the Company

(a) Availability of Shares. During the terms of the Awards, the Company will keep available at all times the number of Shares required to satisfy the Awards.

(b) Securities Law Compliance. Each Award Agreement will provide that no Shares may be purchased or sold thereunder unless and until any then applicable requirements of state, federal or applicable foreign laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Company will use reasonable efforts to seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell Shares upon exercise of Awards; however, this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company determines to be necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Shares on exercise of any Awards unless and until that authority is obtained.

13. Company Use of Proceeds from Awards

Proceeds from the sale of Shares under the Plan will be general funds of the Company.

14. Adjustments for Changes in Stock

(a) Capitalization Adjustments. If any change is made in the Common Stock without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of Shares, exchange of Shares, change in corporate structure or other transaction not involving the receipt of consideration by the Company), then (i) the aggregate number of Shares or the class of securities that may be purchased pursuant to Awards granted hereunder; (ii) the aggregate number of Shares or the class of securities that may be purchased pursuant to Incentive Stock Options granted hereunder; (iii) the number or class of

securities covered by outstanding Awards; (iv) the maximum number of Shares with respect to which Options, Stock Appreciation Rights and Performance Awards may be granted to any single Employee during any calendar year and (v) the Exercise Price of any Option and the Grant Price of any Stock Appreciation Right in effect before the change shall be proportionately adjusted by the Administrator to reflect any increase or decrease in the number of issued Shares or change in the Fair Market Value resulting from the transaction; provided that any fractional Shares resulting from the adjustment will be aggregated until, and eliminated at, the time of exercise or settlement by rounding down. The Administrator shall make these adjustments in a manner that will provide an appropriate adjustment that neither increases nor decreases the value of the Award as in effect immediately before the corporate change, and its determination will be final, binding and conclusive. The conversion of any securities of the Company that are by their terms convertible will not be treated as a transaction "without receipt of consideration" by the Company.

(b) Dissolution or Liquidation. In the event of a dissolution or liquidation of the Company, then, subject toSection 14(c), all outstanding Awards will terminate immediately before the dissolution or liquidation.

(c) Change in Control – Asset Sale, Merger, Consolidation or Reverse Merger. Unless otherwise provided in an Award Agreement or Service Agreement and to the extent permitted by applicable law, in the event of a Change in Control, a dissolution or liquidation of the Company, an exchange of securities or any corporate separation or division, including, but not limited to, a split-up, a split-off or a spin-off or a sale, in one or a series of related transactions, of all or substantially all of the assets of the Company; a merger or consolidation in which the Company is not the Surviving Entity; or a reverse merger in which the Company is the Surviving Entity, but the Shares outstanding immediately preceding the merger are converted by virtue of the merger into other property, whether in the form of securities, cash or otherwise, then the Company, to the extent permitted by applicable law, but otherwise in the sole discretion of the Administrator may provide for: (i) the continuation of outstanding Awards by the Company (if the Company is the Surviving Entity); (ii) the assumption of the Plan and the outstanding Awards by the Surviving Entity or its parent; (iii) the substitution by the Surviving Entity or its parent of awards with substantially the same terms (including an award to acquire the same consideration paid to the stockholders in the transaction described in this Section 14(c)) for the outstanding Awards and, if appropriate, subject to the equitable adjustment provisions ofSection 14(a); (iv) the cancellation of the outstanding Awards in consideration for a payment (in the form of securities, cash or such other consideration and under the same terms and conditions as is paid to the stockholders of the Company in the transaction) equal in value to the Fair Market Value of the Shares underlying each vested Award, or in the case of an outstanding Option or Stock Appreciation Right, the difference between the Fair Market Value and the Exercise Price or Grant Price for all Shares subject to exercise (i.e., to the extent vested) under the Option or Stock Appreciation Right (subject in each case to withholding as required by applicable law); or (v) the cancellation of the outstanding Awards without payment of any consideration. If Awards would be canceled without consideration for vested Options or Stock Appreciation Rights, the Participant will be given the right to exercise the Option or Stock Appreciation Right prior to the merger or consolidation in whole or in part without regard to any installment exercise provisions in the applicable Award Agreement.

15. Amendment of the Plan and Awards

(a) Plan Amendment. The Board or an authorized committee of the Board at any time may amend or terminate the Plan. However, except as provided in Section 14(a) relating to adjustments upon changes in the Common Stock, no amendment will be effective unless approved by the stockholders of the Company to the extent stockholder approval is necessary to satisfy any applicable law or any securities exchange listing requirements. At the time of any amendment, the Board or its authorized committee shall determine, upon advice from counsel, whether the amendment will be contingent on stockholder approval.

(b) Contemplated Amendments. It is expressly contemplated that the Board or an authorized committee of the Board may amend the Plan in any respect the Board or its authorized committee determines necessary or advisable to provide eligible Employees with the maximum benefits provided or to be provided under the provisions of the Code and the regulations issued thereunder relating to Incentive Stock Options or to the nonqualified deferred compensation provisions of Section 409A of the Code and to bring the Plan and Awards granted hereunder into compliance therewith. Notwithstanding the foregoing, neither the Board nor the Company nor any Affiliate will have any liability to any Participant or any other Person as to (a) any tax consequences expected, but not realized, by a Participant or any other Person due to the receipt, exercise or settlement of any Award granted hereunder; or (b) the failure of any Award to comply with Section 409A of the Code.

(c) Amendment of Awards. Subject to Sections 15(d) and 15(e), the Administrator at any time may amend the terms of any one or more Awards. Except as otherwise permitted under Section 14, unless stockholder approval is obtained: (i) no amendment or modification may reduce the Exercise Price of any Option or the Grant Price of any Stock Appreciation Right; (ii) the Administrator may not cancel any outstanding Option or Stock Appreciation Right and replace it with a new Option or Stock Appreciation Right, another Award or cash, if doing so would be considered a "repricing" for purposes of the stockholder approval rules of the applicable securities exchange or interdealer quotation system on which the Common Stock is listed or quoted; and (iii) the Administrator may not take any other action that is considered a repricing for purposes of the stockholder approval rules of the applicable securities exchange or interdealer quotation system on which the Common Stock is listed or quoted.

(d) No Impairment of Rights. No amendment of the Plan or an Award may impair rights or increase a Participant's obligations under any Award granted before the amendment unless (i) the Company requests the consent of the Participant and (ii) the Participant consents in writing. For the avoidance of doubt, a cancellation of an Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of a vested Option or Stock Appreciation Right, the difference between the Fair Market Value of the Shares subject to the Award and the Exercise Price or Grant Price, is not an impairment of the Participant's rights or increase in the Participant's obligations that requires consent of the Participant.

(e) Acceleration of Exercisability and Vesting. The Administrator has the power to accelerate at any time the time at which an Award may first be exercised or the time at which an Award or any part thereof will vest and restrictions thereon will lapse in accordance with the Plan, notwithstanding the provisions in the Award stating the time at which it may first be exercised or the time during which it will vest.

16. General Provisions

(a) Stockholder Rights. Except as provided in Section 14(a) or as otherwise provided in an Award Agreement, no Participant will be considered the holder of, or to have any of the rights of a holder with respect to, any Shares subject to an Award unless and until the Participant has satisfied all requirements for exercise, payment or delivery of the Award, as applicable, pursuant to its terms, and no adjustment will be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions of other rights for which the record date is prior to the date of issue of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company).

(b) Participation not a Guarantee of Service Right. Nothing in the Plan or any instrument executed or Award granted pursuant thereto will confer on any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without Cause; (ii) the service of a Consultant pursuant to the terms of the Consultant's agreement with the Company or an Affiliate; or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(c) Effect of Plan. Neither the adoption of the Plan nor any action of the Board or the Administrator may be deemed to give any Employee, Director or Consultant any right to be granted an Award or any other rights, except as may be evidenced by an Award Agreement or a Service Agreement, or any amendment thereto, duly authorized by the Administrator and executed on behalf of the Company, and then only to the extent and on the terms and conditions expressly set forth in such Award Agreement or Service Agreement. The existence of the Plan and the Awards granted hereunder does not affect in any way the right of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of bonds, debentures, or shares of preferred stock ahead of or affecting the Common Stock or the rights thereof, the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding.

(d) Limits on Transfer.

(i) Each Award will be exercisable during the Participant's lifetime only by the Participant, or, if permissible under applicable law, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against the Company or any Affiliate; provided that the designation of a beneficiary will not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(ii) Notwithstanding the foregoing, the Administrator may, in its sole discretion, permit a Participant to transfer an Award (other than an Incentive Stock Option) by gift or domestic relations order, without consideration, to a Permitted Transferee, subject to such rules as the Administrator may adopt consistent with any applicable Award Agreement to preserve the purposes of the Plan, on condition that the Participant first gives the Administrator advance written notice describing the terms and conditions of the proposed transfer and the Administrator notifies the Participant in writing that the transfer would comply with the requirements of the Plan. If the Award Agreement does not provide for transferability, then the Award will be transferable and exercisable only as provided in the preceding Section 16(d)(i).

(iii) The terms of an Award transferred in accordance withSection 16(d)(ii) will apply to the Permitted Transferee, and any reference to a Participant in the Plan or in the Award Agreement will refer to the Permitted Transferee, except that (1) the Permitted Transferee will not be entitled to transfer the Award other than by will or the laws of descent and distribution; (2) the Permitted Transferee is not entitled to exercise a transferred Option unless there is in effect a registration statement on an appropriate form covering the Shares to be acquired by the exercise of the Option if the Administrator determines, consistent with the Award Agreement, that a registration statement is necessary or appropriate; (3) neither the Administrator nor the Company is required to provide any notice to a Permitted Transferee, whether or not notice is or would otherwise have been required to be given to the Participant; and (4) the consequences of the termination of the Participant's Continuous Service under the Plan and the Award Agreement will continue to be applied with respect to the Participant, including, without limitation, that an Option will be exercisable by the Permitted Transferee only to the extent, and for such period, specified in the Plan and the Award Agreement.

(e) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Shares subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Shares. The foregoing requirements, and any assurances given pursuant to those requirements, will be inoperative if (x) the issuance of the Shares on the exercise, grant or vesting of the Award has been registered under a then currently effective registration statement under the Securities Act; or (y) as to any particular requirement, a determination is made by counsel for the Company that that requirement need not be met in the circumstances under the then applicable securities laws. The Company may, on advice of Company counsel, place legends on stock certificates issued under the Plan as such counsel considers necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Shares.

(f) Withholding Obligations. To the extent provided by the terms of an Award Agreement and subject to the discretion of the Administrator, the Participant may satisfy any federal, state or local tax withholding obligation relating to the exercise or acquisition of Shares under an Award by any one or combination of the following means (in addition to the Company's right to withhold from any compensation paid to the Participant by the Company): (i) cash payment; (ii) authorizing the Company to withhold a number of Shares from the Shares otherwise issuable to the Participant as a result of the exercise or acquisition of Shares under the Award, the Fair Market Value of which does not exceed either the maximum statutory tax rates in the Participant's applicable jurisdictions or the amount of tax required to be withheld by law, and in which case the Award will be surrendered and cancelled with respect to the number of Shares retained by the Company (provided that to the extent such direction would result in the Company withholding fractional Shares, the number of Shares to be withheld will be rounded down to the nearest whole and the Participant must pay the remainder of the withholding obligation in cash or by certified or bank check); (iii) delivering to the Company previously owned and unencumbered Shares or (iv) by execution of a recourse promissory note by a Participant. Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or executive officer (or equivalent thereof) of the Company or an Affiliate will be permitted to pay any portion of the tax withholding with respect to any Award with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act. Unless otherwise provided in the terms of an Award Agreement, payment of the tax withholding by a Participant who is an Officer or Director or is otherwise subject to Section 16 of the Exchange Act by delivering previously owned and unencumbered Shares or in the form of share withholding is subject to pre-approval by the Administrator, in its sole discretion. The Administrator shall document any pre-approval in the case of a Participant who is an Officer or Director in a manner that complies with the specificity requirements of Rule 16b-3 under the Exchange Act, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Award involved in the transaction.

(g) Other Compensation Arrangements. Nothing contained in the Plan will prevent the Board, including any authorized committee of the Board, from adopting other or additional compensation arrangements, subject to stockholder approval if stockholder approval is required; and those arrangements may be either generally applicable or applicable only in specific cases.

(h) Recapitalizations. Each Award Agreement will contain provisions required to reflect the provisions of Section 14(a).

(i) Delivery. Upon exercise of a right granted under an Award under the Plan, the Company will issue Shares or pay any amounts due within a reasonable period thereafter. Subject to any statutory or regulatory obligations the Company may otherwise have, for purposes of the Plan, 30 days will be considered a reasonable period.

(j) Government and Other Regulations.

(i) The Company's obligation to settle Awards in Shares or other consideration is subject to all applicable laws, rules and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company will be under no obligation to offer to sell or to sell, and is prohibited from offering to sell or selling, any Shares under an Award unless the Shares have been properly registered for sale under the Securities Act or unless the Company has received an opinion of counsel, satisfactory to the Company, that such Shares may be offered or sold without registration pursuant to an available exemption therefrom and the terms and conditions of that exemption and of all applicable state securities laws have been fully complied with. The Company will be under no obligation to register for sale under the Securities Act any of the Shares to be offered or sold under the Plan. The Administrator is authorized to provide that all certificates or book entries for Common Stock or other securities of the Company or any Affiliate delivered under the Plan will be subject to such stop transfer orders and other restrictions as the Administrator may consider advisable under the Plan, the applicable Award Agreement, the federal securities laws, or the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or interdealer quotation system on which the Common Stock or other security is then listed or quoted and any other applicable federal, state, local or non-U.S. laws. Notwithstanding any provision in the Plan to the contrary, the Administrator reserves the right to add any additional terms or provisions to any Award granted under the Plan that it in its sole discretion considers necessary or advisable in order that the Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject.

(ii) The Administrator may cancel an Award or any portion thereof if it determines, in its sole discretion, that legal or contractual restrictions, blockage or other market considerations would make the Company's acquisition of Shares from the public markets, the Company's issuance of Shares to the Participant, the Participant's acquisition of Shares from the Company or the Participant's sale of Shares to the public markets, illegal, impracticable or inadvisable. If the Administrator determines to cancel all or any portion of an Award in accordance with the foregoing, the Company will pay to the Participant an amount equal to the excess of (1) the aggregate Fair Market Value of the Shares subject to the Award or portion thereof canceled (determined as of the applicable exercise date, or the date that the Shares would have been vested or delivered, as applicable), over (2) the aggregate Exercise Price or Grant Price (in the case of an Option or Stock Appreciation Right, respectively) or any amount payable as a condition of delivery of Shares (in the case of any other Award). The amount payable will be delivered to the Participant as soon as practicable following the cancellation of the Award or portion thereof.

(k) Clawback or Recoupment. Notwithstanding any provision in this Plan or any Award Agreement or Service Agreement to the contrary, Awards granted hereunder will be subject, to the extent applicable, (i) to any clawback policy adopted by the Company, and (ii) to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Sarbanes–Oxley Act of 2002, each as amended, and rules, regulations and binding, published guidance thereunder. If the Company would not be eligible for continued listing, if applicable, under Section 10D(a) of the Exchange Act unless it adopted policies consistent with Section 10D(b) of the Exchange Act, then, in accordance with those policies that are so required, any incentive-based compensation payable to a Participant under this Plan will be subject to clawback in the circumstances, to the extent, and in the manner, required by Section 10D(b)(2) of the Exchange Act, as interpreted by rules of the Securities Exchange Commission. By accepting an Award under this Plan, the Participant consents to any clawback or recoupment described under this Section (k).

(l) Reliance on Reports. Each member of the Administrator and each member of the Board will be fully justified in acting or failing to act, as the case may be, and will not be liable for having so acted or failed to act in good faith, in reliance on any report made by the independent public accountant of the Company and its Affiliates or any other information furnished in connection with the Plan by any agent of the Company or the Administrator or the Board, other than himself or herself.

(m) Foreign Participants. Without amending the Plan, the Administrator may grant Awards to eligible individuals who are foreign nationals on such terms and conditions different from those specified in the Plan as may, in the judgment of the Administrator, be necessary or desirable to foster and promote achievement of the purposes of the Plan and, in furtherance of such purposes, the Administrator may make such modifications, amendments, procedures, sub-plans and the like as may be necessary or advisable to comply with the provisions of laws and regulations in other countries or jurisdictions in which the Company or its Affiliates operate.

(n) Other Provisions. The Award Agreements authorized under the Plan may contain such other provisions not inconsistent with the Plan, including, without limitation, restrictions upon the exercise of the Awards, as the Administrator may consider advisable.

(o) Cancellation and Rescission of Awards for Detrimental Activity.

(i) On exercise, payment or delivery under an Award, the Administrator may require a Participant to certify in a manner acceptable to the Company that the Participant has not engaged in any Detrimental Activity.

(ii) Unless the Award Agreement specifies otherwise, the Administrator may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred Awards at any time if the Participant engages in any Detrimental Activity.

(iii) If a Participant engages in Detrimental Activity after any exercise, payment or delivery under an Award, during any period for which any restrictive covenant prohibiting such activity is applicable to the Participant, that exercise, payment or delivery may be rescinded within one year thereafter. In the event of any such rescission, the Participant will be required to pay to the Company the amount of any gain realized or payment received as a result of the exercise, payment or delivery, in such manner and on such terms and conditions as may be required by the Company. The Company will be entitled to set-off against the amount of that gain any amount owed to the Participant by the Company.

(p) Market Standoff. Each Award Agreement will provide that, in connection with any underwritten public offering by the Company of its equity securities, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Common Stock without the prior written consent of the Company or its underwriters, for the period from

and after the effective date of such registration statement as may be requested by the Company or the underwriters (the "Market Standoff"). In order to enforce the Market Standoff, the Company may impose stop-transfer instructions with respect to the Shares acquired under the Plan until the end of the applicable standoff period. If there is any change in the number of outstanding Shares by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off or a spin-off), a merger or consolidation; a reverse merger or similar transaction, then any new, substituted or additional securities that are by reason of the transaction distributed with respect to any Shares subject to the Market Standoff or into which the Shares thereby become convertible, will immediately be subject to the Market Standoff.

(q) Unfunded Plan. The Plan is intended to constitute an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement gives any such Participant any rights that are greater than those of a general creditor of the Company.

17. Effective Date and Term of Plan

(a) Effective Date. The Plan is effective as of the Effective Date, but no Option or Stock Appreciation Right may be exercised, and no other Award may be granted, unless and until the Plan has been approved by the stockholders of the Company.

(b) Stockholder Approval. The Plan will become effective only if, within 12 months from the date of the Plan's adoption by the Board or an authorized committee of the Board, it is approved by the affirmative vote of the Company's stockholders in accordance with the applicable provisions of the Certificate of Incorporation and Bylaws of the Company and applicable state law. The Board may, in its sole discretion, submit any amendment to the Plan for stockholder approval.

(c) Plan Termination or Suspension. Unless otherwise terminated as provided herein, the Plan will continue in effect until, and automatically terminate on, the day before the 10th anniversary of the Effective Date or, if the stockholders approve an amendment to the Plan that increases the Share reserve under the Plan, the day before the 10th anniversary of the date of such stockholder approval. No Award may be granted under the Plan after that date, but Awards theretofore granted may extend beyond that date and will continue to be governed by the terms and conditions of the Plan. The Board or its authorized committee may suspend or terminate the Plan at any earlier date under Section 15(a). No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

18. Governing Law

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of the Plan, without regard to that state's conflict of law rules.

19. Limitation on Liability

The Company and any Affiliate that is in existence or that hereafter comes into existence will have no liability to any Participant or to any other Person as to (a) the non-issuance or sale of Shares due to the Company's inability to obtain from any regulatory body having jurisdiction the authority considered by Company counsel necessary for the lawful issuance and sale of any Shares hereunder; (b) any tax consequences expected, but not realized, by a Participant or any other Person due to the receipt, exercise or settlement of any Award granted hereunder or (c) the failure of any Award that is determined to be "nonqualified deferred compensation" to comply with Section 409A of the Code and the regulations thereunder.

20. Execution

IN WITNESS WHEREOF, upon authorization of the Compensation Committee of the Board of Directors, the undersigned has executed the Construction Partners, Inc. 2018 Equity Incentive Plan, effective as of the Effective Date.

CONSTRUCTION PARTNERS, INC.

Date: _____

By: _____
Name: _____
Its: _____

Exhibit 23.1

The accompanying consolidated financial statements give effect to a 25.2-to-1 stock split of the common stock of Construction Partners, Inc. which will take place prior to the effectiveness of the registration statement. The following report is in the form which will be furnished by RSM US LLP, an independent registered public accounting firm, upon completion of the 25.2-to-1 stock split of the common stock of Construction Partners, Inc. described in Note 19 (a) to the consolidated financial statements and assuming that from December 20, 2017 to the date of such completion, no other material events have occurred that would affect the consolidated financial statements or the required disclosures therein, except for Note 19 (b) as to which the date is April 23, 2018.

/s/ RSM US LLP

Birmingham, Alabama
April 23, 2018

Consent of Independent Registered Public Accounting Firm

We consent to the use in this Amendment No. 1 to the Registration Statement (No. 333-224174) on Form S-1 of Construction Partners, Inc. of our report dated December 20, 2017, except for Note 19 (b) as to which the date is April 23, 2018 and Note 19 (a) as to which the date is , 2018, relating to the consolidated financial statements of Construction Partners, Inc. and subsidiaries, appearing in the Prospectus, which is part of this Registration Statement.

We also consent to the reference to our firm under the heading “Experts” in such Prospectus.

Birmingham, Alabama
, 2018