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

**Form 10-Q**

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended September 30, 2007
- OR
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-33492

**CVR ENERGY, INC.**

*(Exact name of registrant as specified in its charter)*

**Delaware**  
*(State or other jurisdiction of  
incorporation or organization)*

**2277 Plaza Drive, Suite 500**  
**Sugar Land, Texas**  
*(Address of principal executive offices)*

**61-1512186**  
*(I.R.S. Employer  
Identification No.)*

**77479**  
*(Zip Code)*

**Registrant's telephone number, including area code:**  
**(281) 207-3200**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. (1) Yes  No  (2) Yes  No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer  Accelerated Filer  Non-accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes  No .

There were 86,141,291 shares of the registrant's Common Stock outstanding at December 4, 2007.

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CVR ENERGY, INC. AND SUBSIDIARIES  
INDEX TO QUARTERLY REPORT ON FORM 10-Q  
For The Quarter Ended September 30, 2007

	Page No.
<b>Part I.</b>	
<b>Financial Information</b>	
<u>Item 1.</u>	2
Financial Statements (unaudited)	2
Condensed Consolidated Balance Sheets — September 30, 2007 and December 31, 2006	2
Condensed Consolidated Statements of Operations — Three Months and Nine Months Ended September 30, 2007 and September 30, 2006	3
Condensed Consolidated Statements of Cash Flows — Nine Months Ended September 30, 2007 and September 30, 2006	4
Notes to Condensed Consolidated Financial Statements — September 30, 2007	5
Management's Discussion and Analysis of Financial Condition and Results of Operations	27
<u>Item 2.</u>	59
Quantitative and Qualitative Disclosures About Market Risk	59
<u>Item 3.</u>	61
Controls and Procedures	61
<u>Item 4.</u>	61
<b>Part II.</b>	61
<b>Other Information</b>	61
<u>Item 1.</u>	61
Legal Proceedings	61
<u>Item 1A.</u>	62
Risk Factors	62
<u>Item 2.</u>	62
Unregistered Sales of Equity Securities and Use of Proceeds	62
<u>Item 4.</u>	63
Submission of Matters to a Vote of Security Holders	63
<u>Item 6.</u>	63
Exhibits	63
<a href="#">EX-10.1: AMENDED AND RESTATED CERTIFICATE OF INCORPORATION</a>	
<a href="#">EX-10.2: AMENDED AND RESTATED BY-LAWS</a>	
<a href="#">EX-10.3: AMENDED AND RESTATED RECAPITALIZATION AGREEMENT</a>	
<a href="#">EX-10.4: FIRST AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT</a>	
<a href="#">EX-10.5: COKE SUPPLY AGREEMENT</a>	
<a href="#">EX-10.6: CROSS EASEMENT AGREEMENT</a>	
<a href="#">EX-10.7: ENVIRONMENTAL AGREEMENT</a>	
<a href="#">EX-10.8: FEEDSTOCK AND SHARED SERVICES AGREEMENT</a>	
<a href="#">EX-10.9: RAW WATER AND FACILITIES SHARING AGREEMENT</a>	
<a href="#">EX-10.10: SERVICES AGREEMENT</a>	
<a href="#">EX-10.11: OMNIBUS AGREEMENT</a>	
<a href="#">EX-10.12: PHANTOM UNIT APPRECIATION PLAN (PLAN II)</a>	
<a href="#">EX-10.13: 2007 LONG TERM INCENTIVE PLAN</a>	
<a href="#">EX-10.14: THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT</a>	
<a href="#">EX-10.15: AMENDMENT NO. 1 TO THE THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT</a>	
<a href="#">EX-10.16: FIRST AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT</a>	
<a href="#">EX-10.17: AMENDMENT NO. 1 TO THE FIRST AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT</a>	
<a href="#">EX-10.18: LIMITED LIABILITY COMPANY AGREEMENT</a>	
<a href="#">EX-10.19: REDEMPTION AGREEMENT</a>	
<a href="#">EX-10.20: STOCKHOLDERS AGREEMENT</a>	
<a href="#">EX-10.21: REGISTRATION RIGHTS AGREEMENT</a>	
<a href="#">EX-10.22: SUBSCRIPTION AGREEMENT</a>	
<a href="#">EX-10.23: LETTER AGREEMENT</a>	
<a href="#">EX-10.24: REGISTRATION RIGHTS AGREEMENT</a>	
<a href="#">EX-10.25: PROFIT BONUS PLAN</a>	
<a href="#">EX-10.26: CONTRIBUTION, CONVEYANCE AND ASSUMPTION AGREEMENT</a>	
<a href="#">EX-10.27: MANAGEMENT REGISTRATION RIGHTS AGREEMENT</a>	
<a href="#">EX-10.28: AMENDMENT NO. 2 TO EMPLOYMENT AGREEMENT</a>	
<a href="#">EX-31.1: CERTIFICATION</a>	
<a href="#">EX-31.2: CERTIFICATION</a>	
<a href="#">EX-32.1: CERTIFICATIONS</a>	
<a href="#">EX-99.1: RISK FACTORS</a>	

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CVR ENERGY, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

	December 31, 2006	September 30, 2007	Pro Forma September 30, 2007 (Note 2)
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 41,919,260	\$ 27,318,206	\$ 65,117,537
Accounts receivable, net of allowance for doubtful accounts of \$375,443 and \$387,078, respectively	69,589,161	65,416,983	65,416,983
Inventories	161,432,793	209,852,915	209,852,915
Prepaid expenses and other current assets	18,524,017	28,189,488	19,023,406
Insurance receivable	—	84,982,065	84,982,065
Income tax receivable	32,099,163	60,937,101	60,937,101
Deferred income taxes	18,888,660	99,559,780	99,559,780
Total current assets	342,453,054	576,256,538	604,889,787
Property, plant, and equipment, net of accumulated depreciation	1,007,155,873	1,164,047,449	1,164,633,272
Intangible assets, net	638,456	497,193	497,193
Goodwill	83,774,885	83,774,885	83,774,885
Deferred financing costs, net	9,128,258	8,012,476	6,720,298
Insurance receivable	—	11,400,000	11,400,000
Other long-term assets	6,328,989	4,579,226	4,579,226
Total assets	<u>\$ 1,449,479,515</u>	<u>\$ 1,848,567,767</u>	<u>\$ 1,876,494,661</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities:</b>			
Current portion of long-term debt	\$ 5,797,981	\$ 57,682,429	\$ 4,906,842
Revolving debt	—	20,000,000	—
Note Payable	—	5,947,031	5,947,031
Payable to swap counterparty	36,894,802	241,427,327	241,427,327
Accounts payable	138,911,088	189,713,780	187,157,412
Personnel accruals	24,731,283	31,534,879	31,534,879
Accrued taxes other than income taxes	9,034,841	9,648,199	9,648,199
Deferred revenue	8,812,350	6,747,733	6,747,733
Other current liabilities	6,017,435	40,550,215	34,611,451
Total current liabilities	230,199,780	603,251,593	521,980,874
<b>Long-term liabilities:</b>			
Long-term debt, less current portion	769,202,019	763,447,415	486,223,002
Accrued environmental liabilities	5,395,105	5,603,884	5,603,884
Deferred income taxes	284,122,958	328,785,428	328,785,428
Payable to swap counterparty	72,806,486	99,202,285	99,202,285
Total long-term liabilities	1,131,526,568	1,197,039,012	919,814,599
Commitments and contingencies	—	—	—
Minority interest in subsidiaries	4,326,188	5,169,375	10,600,000
Management voting common units subject to redemption, 201,063 units issued and outstanding in 2006 and 2007, respectively	6,980,907	8,655,762	—
<b>Members' equity:</b>			
Voting common units, 22,614,937 units issued and outstanding in 2006 and 2007, respectively	73,593,326	29,956,946	—
Management nonvoting override units, 2,976,353 units issued and outstanding in 2006 and 2007, respectively	2,852,746	4,495,079	—
Total members' equity	76,446,072	34,452,025	—
<b>PRO FORMA STOCKHOLDERS' EQUITY</b>			
<b>Stockholders' equity:</b>			
Common stock, \$0.01 par value per share, 350,000,000 shares authorized; 86,141,291 shares issued and outstanding	—	—	861,413
Additional paid-in capital	—	—	434,529,953
Retained earnings	—	—	(11,292,178)
Total pro forma stockholders' equity	—	—	424,099,188
Total liabilities and equity	<u>\$ 1,449,479,515</u>	<u>\$ 1,848,567,767</u>	<u>\$ 1,876,494,661</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
Net sales	\$ 778,586,242	\$ 585,977,758	\$ 2,329,152,871	\$ 1,819,873,670
Operating costs and expenses:				
Cost of product sold (exclusive of depreciation and amortization)	644,627,352	446,169,603	1,848,076,557	1,319,462,926
Direct operating expenses (exclusive of depreciation and amortization)	56,695,517	44,440,204	144,461,227	218,806,288
Selling, general and administrative expenses (exclusive of depreciation and amortization)	12,326,943	14,034,765	32,796,414	42,122,058
Net costs associated with flood	—	32,192,342	—	34,331,284
Depreciation and amortization	12,787,536	10,481,065	36,809,644	42,673,523
Total operating costs and expenses	726,437,348	547,317,979	2,062,143,842	1,657,396,079
Operating income	52,148,894	38,659,779	267,009,029	162,477,591
Other income (expense):				
Interest expense and other financing costs	(10,681,064)	(18,339,731)	(33,016,684)	(45,959,154)
Interest income	1,090,792	150,610	2,773,949	763,926
Gain (Loss) on derivatives	171,208,895	40,532,495	44,746,853	(251,911,939)
Other income (expense)	573,569	52,393	310,704	154,627
Total other income (expense)	162,192,192	22,395,767	14,814,822	(296,952,540)
Income (loss) before income taxes and minority interest in subsidiaries	214,341,086	61,055,546	281,823,851	(134,474,949)
Income tax expense (benefit)	85,302,273	47,609,671	111,027,829	(93,356,611)
Minority interest in (income) loss of subsidiaries	—	(46,686)	—	210,062
Net income (loss)	\$ 129,038,813	\$ 13,399,189	\$ 170,796,022	\$ (40,908,276)
Pro Forma Information (Note 2)				
Basic earnings (loss) per common share	\$ 1.50	\$ 0.16	\$ 1.98	\$ (0.47)
Diluted earnings (loss) per common share	\$ 1.50	\$ 0.16	\$ 1.98	\$ (0.47)
Basic weighted average common shares outstanding	86,141,291	86,141,291	86,141,291	86,141,291
Diluted weighted average common shares outstanding	86,158,791	86,158,791	86,158,791	86,141,291

The accompanying notes are an integral part of these condensed consolidated financial statements.

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Nine Months Ended September 30, 2006	(Unaudited)	Nine Months Ended September 30, 2007
<b>Cash flows from operating activities:</b>			
Net income (loss)	\$ 170,796,022		\$ (40,908,276)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	36,809,644		50,300,595
Provision for doubtful accounts	2,664		11,635
Amortization of deferred financing costs	2,508,847		1,946,912
Loss on disposition of fixed assets	1,188,360		1,245,656
Forgiveness of note receivable	350,000		—
Share-based compensation	1,373,624		1,642,333
Minority interest in loss of subsidiaries	—		(210,062)
Changes in assets and liabilities:			
Accounts receivable	23,149,463		4,160,543
Inventories	(59,782,643)		(48,420,122)
Prepaid expenses and other current assets	(16,537,977)		(2,024,037)
Insurance receivable	—		(96,382,065)
Other long-term assets	1,081,470		1,592,398
Accounts payable	(380,356)		82,358,374
Accrued income taxes	(16,725,901)		(28,837,938)
Deferred revenue	(6,664,314)		(2,064,617)
Other current liabilities	(7,071,516)		41,949,735
Payable to swap counterparty	(88,458,131)		230,928,324
Accrued environmental liabilities	(1,380,841)		208,779
Deferred income taxes	57,603,030		(36,008,650)
Net cash provided by operating activities	<u>97,861,445</u>		<u>161,489,517</u>
<b>Cash flows from investing activities:</b>			
Capital expenditures	(172,950,391)		(239,694,882)
Net cash used in investing activities	<u>(172,950,391)</u>		<u>(239,694,882)</u>
<b>Cash flows from financing activities:</b>			
Revolving debt payments	—		(241,800,000)
Revolving debt borrowings	—		261,800,000
Proceeds from issuance of term debt	30,000,000		50,000,000
Principal payments on long-term debt	(1,679,076)		(3,870,156)
Payment of financing costs	—		(2,525,533)
Issuance of members' equity	20,000,000		—
Payment of note receivable	150,000		—
Net cash provided by financing activities	<u>48,470,924</u>		<u>63,604,311</u>
Net decrease in cash and cash equivalents	<u>(26,618,022)</u>		<u>(14,601,054)</u>
Cash and cash equivalents, beginning of period	64,703,524		41,919,260
Cash and cash equivalents, end of period	<u>\$ 38,085,502</u>		<u>\$ 27,318,206</u>
<b>Supplemental disclosures:</b>			
Cash paid for income taxes, net of refunds (received)	\$ 70,150,700		\$ (28,510,023)
Cash paid for interest	\$ 38,229,085		\$ 37,363,134
<b>Non-cash investing and financing activities:</b>			
Accrual of construction in progress additions	\$ 20,195,007		\$ (31,555,682)

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2007  
(UNAUDITED)

(1) **Organization, Initial Public Offering, and Basis of Presentation**

**Organization**

The "Company" or "CVR" may be used to refer to CVR Energy, Inc. and, unless the context otherwise requires, its subsidiaries. Any references to the "Company" as of a date prior to October 16, 2007 (the date of the restructuring as further discussed in this note) and subsequent to June 24, 2005 are to Coffeyville Acquisition LLC (CALLC) and its subsidiaries.

On June 24, 2005, CALLC acquired all of the outstanding stock of Coffeyville Refining & Marketing, Inc. (CRM); Coffeyville Nitrogen Fertilizers, Inc. (CNF); Coffeyville Crude Transportation, Inc. (CCT); Coffeyville Pipeline, Inc. (CP); and Coffeyville Terminal, Inc. (CT) (collectively, CRIncs). CRIncs collectively own 100% of CL JV Holdings, LLC (CLJV) and, directly or through CLJV, they collectively own 100% of Coffeyville Resources, LLC (CRLLC) and its wholly owned subsidiaries, Coffeyville Resources Refining & Marketing, LLC (CRRM); Coffeyville Resources Nitrogen Fertilizers, LLC (CRNF); Coffeyville Resources Crude Transportation, LLC (CRCT); Coffeyville Resources Pipeline, LLC (CRP); and Coffeyville Resources Terminal, LLC (CRT).

The Company, through its wholly-owned subsidiaries, acts as an independent petroleum refiner and marketer in the mid-continental United States and a producer and marketer of upgraded nitrogen fertilizer products in North America. The Company's operations include two business segments: the petroleum segment and the nitrogen fertilizer segment. See Note 15 ("Business Segments") for a further discussion of the company's business segments.

CALLC formed CVR Energy, Inc. (CVR) as a wholly owned subsidiary, incorporated in Delaware in September 2006, in order to effect an initial public offering. CALLC formed Coffeyville Refining & Marketing Holdings, Inc. (Refining Holdco) as a wholly owned subsidiary, incorporated in Delaware in August 2007, by contributing its shares of CRM to Refining Holdco in exchange for its shares. Refining Holdco was formed in connection with a financing transaction in August 2007. The initial public offering of CVR was consummated on October 26, 2007. In conjunction with the initial public offering, a restructuring occurred in which CVR became a direct or indirect owner of all of the subsidiaries of CALLC. Additionally, in connection with the initial public offering, CALLC was split into two entities: Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC (CALLC II).

**Initial Public Offering of CVR Energy, Inc.**

On October 26, 2007, CVR Energy, Inc. completed an initial public offering of 23,000,000 shares of its common stock. The initial public offering price was \$19.00 per share.

The net proceeds to CVR from the initial public offering were approximately \$408.5 million, after deducting underwriting discounts and commissions, but before deduction of offering expenses. The Company also incurred approximately \$11.4 million of other costs related to the initial public offering. The net proceeds from this offering were used to repay \$280 million of term debt under the Company's credit facility and to repay all indebtedness under the Company's \$25 million unsecured facility and \$25 million secured facility, including related accrued interest through the date of repayment of approximately \$5.9 million. Additionally, \$50 million of net proceeds were used to repay outstanding indebtedness under the revolving loan facility under the Company's credit facility. In connection with the repayment of the \$25 million unsecured facility and the \$25 million secured facility, the Company will record a write-off of unamortized deferred financing fees of approximately \$1.3 million in the fourth quarter of 2007.

In connection with the initial public offering, CVR became the indirect owner of the subsidiaries of CALLC and CALLC II. This was accomplished by CVR issuing 62,866,720 shares of its common stock to CALLC and CALLC II, its majority stockholders, in conjunction with the mergers of two newly formed direct subsidiaries of

## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

CVR into Refining Holdco and CNF. Concurrent with the merger of the subsidiaries and in accordance with a previously executed agreement, the Company's chief executive officer received 247,471 shares of CVR common stock in exchange for shares that he owned of Refining Holdco and CNF. The shares were fully vested and were exchanged at fair market value. Immediately following the completion of the offering, there were 86,141,291 shares of common stock outstanding, excluding restricted shares issued.

On October 24, 2007, 17,500 shares of restricted stock having a value of \$365,400 at the date of grant were issued to outside directors. Although ownership of the shares does not transfer to the recipients until the shares have vested, recipients have dividend and voting rights on these shares from the date of grant. The fair value of each share of restricted stock was measured based on the market price of the common stock as of the date of grant and will be amortized over the respective vesting periods. One-third of the restricted stock will vest on October 24, 2008, one-third will vest on October 24, 2009, and the final one-third will vest on October 24, 2010. Options to purchase 10,300 common shares at an exercise price of \$19.00 per share were granted to outside directors on October 22, 2007. These awards will vest over a three year service period and fair value will be measured using an option-pricing model at the date of grant. The Company also issued 27,100 shares of common stock to its employees on October 24, 2007 in connection with the initial public offering. The compensation expense recorded in the fourth quarter of 2007 will be \$565,848 related to the shares issued.

***Nitrogen Fertilizer Limited Partnership***

In conjunction with the consummation of the initial public offering, CVR transferred CRNF, its nitrogen fertilizer business, to a newly created limited partnership (Partnership) in exchange for a managing general partner interest (managing GP interest), a special general partner interest (special GP interest, represented by special GP units) and a de minimis limited partner interest (LP interest, represented by special LP units). CVR concurrently sold the managing GP interest to an entity owned by its controlling stockholders and senior management at fair market value. The board of directors of CVR determined, after consultation with management, that the fair market value of the managing general partner interest was \$10.6 million.

The valuation of the managing general partner interest was based on a discounted cash flow analysis, using a discount rate commensurate with the risk profile of the managing general partner interest. The key assumptions underlying the analysis were commodity price projections, which were used to determine the Partnership's raw material costs and output revenues. Other business expenses of the Partnership were based on management's projections. The Partnership's cash distributions were assumed to be flat at expected forward fertilizer prices, with cash reserves developed in periods of high prices and cash reserves reduced in periods of lower prices. The Partnership's projected cash flows due to the managing general partner under the terms of the Partnership's partnership agreement used for the valuation were modeled based on the structure of expectations of the Partnership's operations, including production volumes and operating costs, which were developed by management based on historical operations and experience. Price projections were based on information received from Blue, Johnson & Associates, a leading fertilizer industry consultant in the United States which CVR routinely uses for fertilizer market analysis.

In conjunction with CVR's ownership of the special GP interest, it will initially own all of the interests in the Partnership (other than the managing general partner interest and associated IDRs described below) and will initially be entitled to all cash that is distributed by the Partnership. The managing general partner will not be entitled to participate in Partnership distributions except in respect of associated incentive distribution rights, or IDRs, which entitle the managing general partner to receive increasing percentages of the Partnership's quarterly distributions if the Partnership increases its distributions above an amount specified in the partnership agreement. However, the Partnership is not permitted to make any distributions with respect to the IDRs until the Aggregate Adjusted Operating Surplus, as defined in the partnership agreement, generated by the Partnership during the period from its formation through December 31, 2009 has been distributed in respect of the special GP interests, which CVR will hold, and/or the Partnership's common and subordinated interests (none of which are yet outstanding, but



CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

which would be issued if the Partnership issues equity in the future). In addition, there will be no distributions paid on the managing general partner's IDRs for so long as the Partnership or its subsidiaries are guarantors under CRLLC's credit facility. The Partnership and its subsidiaries are currently guarantors under CRLLC's credit facility.

The Partnership is operated by CVR's senior management pursuant to a services agreement among CVR, the managing general partner, and the Partnership. The Partnership is managed by the managing general partner and, to the extent described below, CVR, as special general partner. As special general partner of the Partnership, CVR has joint management rights regarding the appointment, termination, and compensation of the chief executive officer and chief financial officer of the managing general partner, has the right to designate two members of the board of directors of the managing general partner, and has joint management rights regarding specified major business decisions relating to the Partnership.

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles (GAAP) and in accordance with the rules and regulations of the Securities and Exchange Commission. The consolidated financial statements include the accounts of CVR Energy, Inc. and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. Certain information and footnotes required for the complete financial statements under GAAP have not been included pursuant to such rules and regulations. These unaudited condensed consolidated financial statements should be read in conjunction with the December 31, 2006 audited financial statements and notes thereto of CVR.

In the opinion of the Company's management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments (consisting only of normal recurring adjustments) that are necessary to fairly present the financial position of the Company as of December 31, 2006 and September 30, 2007, the results of operations for the three and nine months ended September 30, 2006 and 2007, and the cash flows for the nine months ended September 30, 2006 and 2007.

Results of operations and cash flows for the interim periods presented are not necessarily indicative of the results that will be realized for the year ending December 31, 2007 or any other interim period. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**(2) *Pro Forma Information***

Earnings per share are calculated on a pro forma basis, based upon the actual number of shares outstanding at the time of the initial public offering in October 2007. Pro forma earnings per share have been based upon the transactions that occurred to effect the initial public offering, including the merger of Refining Holdco and CNF with two of CVR's direct wholly owned subsidiaries; the effect of the 628,667.20 for 1 stock split of CVR's common stock; the issuance of 247,471 shares of common stock to CVR's chief executive officer in exchange for his shares in two of CVR's subsidiaries; the issuance of 27,100 shares of common stock to CVR's employees; and CVR's issuance of 23,000,000 shares of common stock in the offering. For the nine month period ended September 30, 2007, the 17,500 nonvested restricted shares of CVR common stock to be issued to two directors have been excluded from the calculation of pro forma diluted earnings per share because the inclusion of such shares in the number of weighted average shares outstanding would be antidilutive.

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Pro forma earnings (loss) per share for the three and nine month periods ended September 30, 2006 and 2007 is calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006 (Unaudited)	2007 (Unaudited)	2006 (Unaudited)	2007 (Unaudited)
Net income (loss)	\$ 129,038,813	\$ 13,399,189	\$ 170,796,022	\$ (40,908,276)
Pro forma weighted average shares outstanding:				
Existing CVR common shares	100	100	100	100
Effect of 628,667.20 to 1 stock split	62,866,620	62,866,620	62,866,620	62,866,620
Issuance of common shares to management in exchange for subsidiary shares	247,471	247,471	247,471	247,471
Issuance of common shares to employees	27,100	27,100	27,100	27,100
Issuance of common shares in the initial public offering	23,000,000	23,000,000	23,000,000	23,000,000
Basic weighted average shares outstanding	86,141,291	86,141,291	86,141,291	86,141,291
Dilutive securities — issuance of nonvested common shares to board of directors	17,500	17,500	17,500	—
Diluted weighted average shares outstanding	86,158,791	86,158,791	86,158,791	86,141,291
Pro forma basic earnings (loss) per share	\$ 1.50	\$ 0.16	\$ 1.98	\$ (0.47)
Pro forma dilutive earnings (loss) per share	\$ 1.50	\$ 0.16	\$ 1.98	\$ (0.47)

The pro forma balance sheet assumes the following transactions occurred on September 30, 2007:

- The payment of a \$10.6 million dividend to the Company's shareholders of record on October 16, 2007;
- The receipt of gross proceeds of \$10.6 million from the sale of the managing general partner interest in the Partnership to Coffeyville Acquisition III LLC, an entity owned by related parties and management, at estimated fair market value, as determined by the board of directors after consultation with management;
- The exchange of the Company's chief executive officer's shares in two of CVR's subsidiaries (Refining Holdco and CNF) for shares of CVR common stock at fair market value, resulting in an estimated step-up in basis in the Company's property, plant, and equipment of approximately \$0.6 million;
- The issuance of 23,000,000 shares of CVR common stock in connection with the initial public offering at an initial public offering price of \$19.00 per share, resulting in aggregate gross proceeds of \$437.0 million;
- The payments of underwriters' discounts and commissions and estimated offering expenses totaling approximately \$39.9 million of which \$6.6 million had been prepaid as of September 30, 2007 and \$2.6 million had been accrued as of September 30, 2007;
- The conversion from a partnership structure to a corporate structure;

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

- The repayment of term debt of \$280.0 million and related interest of \$5.7 million with the net proceeds of the offering;
- The repayment of revolver borrowings of \$20.0 million, repayment of borrowings of \$25 million under the unsecured facility, and repayment of borrowings of \$25.0 million under the secured facility, including the related write-off of approximately \$1.3 million of unamortized deferred financing fees, and the payment of related interest of \$0.2 million; and
- The payment of a \$5.0 million termination fee to each of Goldman, Sachs & Co. and Kelso & Company, L.P. in connection with the termination of the management agreements in conjunction with the initial public offering.

**(3) New Accounting Pronouncements**

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement on Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements*, which establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. SFAS 157 states that fair value is “the price that would be received to sell the asset or paid to transfer the liability (an exit price), not the price that would be paid to acquire the asset or received to assume the liability (an entry price)”. The statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is currently evaluating the effect that this statement will have on its financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (SFAS 159). Under this standard, an entity is required to provide additional information that will assist investors and other users of financial information to more easily understand the effect of the company’s choice to use fair value on its earnings. Further, the entity is required to display the fair value of those assets and liabilities for which the company has chosen to use fair value on the face of the balance sheet. This standard does not eliminate the disclosure requirements about fair value measurements included SFAS No. 107, *Disclosures about Fair Value of Financial Instruments*. SFAS 159 is effective for fiscal years beginning after November 15, 2007. The Company is currently evaluating the potential adoption impact that SFAS 159 will have on its financial statements.

**(4) Members’ Equity**

Prior to CVR’s initial public offering, CVR’s subsidiaries were held and operated by CALLC, a limited liability company. Management of CVR holds an equity interest in CALLC as described below. Subsequent to September 30, 2007 and in connection with the split of CALLC into two entities, management’s equity interest in CALLC was split so that half of management’s equity interest was in CALLC and half was in CALLC II. CALLC was historically the primary reporting company and CVR’s predecessor. As of September 30, 2007, common units held by management contained put rights held by management and call rights held by CALLC exercisable at fair value in the event the management member became inactive. Accordingly, in accordance with Emerging Issues Task Force (EITF) Topic No. D-98, *Classification and Measurement of Redeemable Securities*, common units held by management were initially recorded at fair value at the date of issuance and have been classified in temporary equity as Management Voting Common Units Subject to Redemption (capital subject to redemption) in the accompanying condensed consolidated balance sheets. The put rights and call rights were eliminated in October 2007.

CVR accounted for changes in redemption value of management common units in the period the changes occurred and adjusted the carrying value of the capital subject to redemption to equal the redemption value at the end of each reporting period with an equal and offsetting adjustment to Members’ Equity. None of the capital subject to redemption was redeemable at December 31, 2006 or September 30, 2007.

At September 30, 2007, the capital subject to redemption was revalued through an independent appraisal process, and the value was determined to be \$43.05 per unit. The valuation was based upon a calculation utilizing

## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

the initial public offering share price. This methodology provided the best estimate of the value as it was based upon actual information supporting the value. The recognition of the value of \$43.05 per unit increased the carrying value of the capital subject to redemption by \$2,035,354 for the nine months ended September 30, 2007 with an equal and offsetting decrease to Members' Equity. The increase was primarily attributable to favorable market conditions in the fertilizer sector.

**919,630 override operating units at an adjusted benchmark value of \$11.31 per unit**

In June 2005, CALLC issued nonvoting override operating units to certain management members holding common units. There were no required capital contributions for the override operating units.

In accordance with SFAS 123(R), *Share Based Compensation*, using the Monte Carlo method of valuation, the estimated fair value of the override operating units on June 24, 2005 was \$3,604,950. Pursuant to the forfeiture schedule described below, the Company is recognizing compensation expense over the service period for each separate portion of the award for which the forfeiture restriction lapsed as if the award was, in-substance, multiple awards. Compensation expense of \$177,943 and \$743,137 were recognized for the three and nine month periods ending September 30, 2007, respectively. Compensation expenses of \$291,679 and \$865,527 were recognized for the three and nine month periods ending September 30, 2006, respectively. Significant assumptions used in the valuation were as follows:

• Estimated forfeiture rate	None
• Explicit service period	Based on forfeiture schedule below
• Grant-date fair value — controlling basis	\$5.16 per share
• Marketability and minority interest discounts	\$1.24 per share (24% discount)
• Volatility	37%

**72,492 override operating units at a benchmark value of \$34.72 per unit**

On December 28, 2006, CALLC issued additional nonvoting override operating units to a certain management member who holds common units. There were no required capital contributions for the override operating units.

In accordance with SFAS 123(R), a combination of a binomial model and a probability-weighted expected return method which utilized the company's cash flow projections resulted in an estimated fair value of the override operating units on December 28, 2006 was \$472,648. Management believed that this method was preferable for the valuation of the override units as it allowed a better integration of the cash flows with other inputs, including the timing of potential exit events that impact the estimated fair value of the override units. Pursuant to the forfeiture schedule described below, the Company is recognizing compensation expense over the service period for each separate portion of the award for which the forfeiture restriction lapsed as if the award was, in-substance, multiple awards. Compensation expense for the three and nine month periods ended September 30, 2007 was \$40,532 and \$236,433, respectively. Significant assumptions used in the valuation were as follows:

• Estimated forfeiture rate	None
• Explicit service period	Based on forfeiture schedule below
• Grant-date fair value — controlling basis	\$8.15 per share
• Marketability and minority interest discounts	\$1.63 per share (20% discount)
• Volatility	41%

Override operating units participate in distributions from CALLC (and, following the split of CALLC into two entities, CALLC II) in proportion to the number of total common, non-forfeited override operating and participating override value units issued. Distributions to override operating units will be reduced until the total cumulative reductions are equal to the benchmark value. Override operating units are forfeited upon termination of

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

employment for cause. In the event of all other terminations of employment, the override operating units are initially subject to forfeiture with the number of units subject to forfeiture reducing as follows:

Minimum Period Held	Forfeiture Percentage
2 years	75%
3 years	50%
4 years	25%
5 years	0%

On the tenth anniversary of the issuance of override operating units, such units shall convert into an equivalent number of override value units.

**1,839,265 override value units at an adjusted benchmark value of \$11.31 per unit**

In June 2005, CALLC issued nonvoting override value units to certain management members holding common units. There were no required capital contributions for the override value units.

In accordance with SFAS 123(R), using the Monte Carlo method of valuation, the estimated fair value of the override value units on June 24, 2005 was \$4,064,776. For the override value units, CVR is recognizing compensation expense ratably over the implied service period of 6 years. Compensation expense of \$508,097 was recognized for both the nine months ending September 30, 2006 and 2007. Compensation expense of \$169,366 was recognized for both the three months ending September, 30, 2006 and 2007. Significant assumptions used in the valuation were as follows:

• Estimated forfeiture rate	None
• Derived service period	6 years
• Grant-date fair value — controlling basis	\$2.91 per share
• Marketability and minority interest discounts	\$0.70 per share (24% discount)
• Volatility	37%

**144,966 override value units at a benchmark value of \$34.72 per unit**

On December 28, 2006, CALLC issued additional nonvoting override value units to a certain management member who holds common units. There were no required capital contributions for the override value units.

In accordance with SFAS 123(R), a combination of a binomial model and a probability-weighted expected return method which utilized the Company's cash flow projections resulted in an estimated fair value of the override value units on December 28, 2006 of \$945,178. Management believed that this method was preferable for the valuation of the override units as it allowed a better integration of the cash flows with other inputs, including the timing of potential exit events that impact the estimated fair value of the override units. For the override value units, CVR is recognizing compensation expense ratably over the implied service period of 6 years. Compensation expense for the three and nine month periods ended September 30, 2007 was \$51,555 and \$154,666. Significant assumptions used in the valuation were as follows:

• Estimated forfeiture rate	None
• Derived service period	6 years
• Grant-date fair value — controlling basis	\$8.15 per share
• Marketability and minority interest discounts	\$1.63 per share (20% discount)
• Volatility	41%

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Value units fully participate in cash distributions by CALLC (and, following the split of CALLC into two entities, CALLC II) when the amount of such cash distributions to certain investors (Current Common Value) is equal to four times the original contributed capital of such investors (including the Delayed Draw Capital required to be contributed pursuant to the long term credit agreements). If the Current Common Value is less than two times the original contributed capital of such investors at the time of a distribution, none of the override value units participate. In the event the Current Common Value is greater than two times the original contributed capital of such investors but less than four times, the number of participating override value units is the product of 1) the number of issued override value units and 2) a fraction, the numerator of which is the Current Common Value minus two times original contributed capital, and the denominator of which is two times the original contributed capital. Distributions to participating override value units will be reduced until the total cumulative reductions are equal to the benchmark value. On the tenth anniversary of any override value unit (including any override value unit issued on the conversion of an override operating unit) the “two times” threshold referenced above will become “10 times” and the “four times” threshold referenced above will become “12 times”. Unless the compensation committee of the board of directors of CALLC (and, following the split of CALLC into two entities, CALLC II) takes an action to prevent forfeiture, override value units are forfeited upon termination of employment for any reason except that in the event of termination of employment by reason of death or disability, all override value units are initially subject to forfeiture with the number of units subject to forfeiture reducing as follows:

<u>Minimum Period Held</u>	<u>Subject to Forfeiture Percentage</u>
2 years	75%
3 years	50%
4 years	25%
5 years	0%

At September 30, 2007, there was approximately \$4.6 million of unrecognized compensation expense related to nonvoting override units. This is expected to be recognized over a period of five years as follows:

	<u>Override Operating Units</u>	<u>Override Value Units</u>
Three months ending December 31, 2007	\$ 218,476	\$ 220,921
Year ending December 31, 2008	670,385	883,684
Year ending December 31, 2009	344,178	883,684
Year ending December 31, 2010	102,079	883,684
Year ending December 31, 2011	—	385,383
	<u>\$ 1,335,118</u>	<u>\$ 3,257,356</u>

**Phantom Unit Appreciation Plan**

The Company, through a wholly-owned subsidiary, has a Phantom Unit Appreciation Plan whereby directors, employees, and service providers may be awarded phantom points at the discretion of the board of directors or the compensation committee. Holders of service phantom points have rights to receive distributions when holders of override operating units receive distributions. Holders of performance phantom points have rights to receive distributions when holders of override value units receive distributions. There are no other rights or guarantees, and the plan expires on July 25, 2015, or at the discretion of the compensation committee of the board of directors. As of September 30, 2007, the issued Profits Interest (combined phantom plan and override units) represented 15% of combined common unit interest and Profits Interest of CALLC. The Profits Interest was comprised of 11.1% and 3.9% of override interest and phantom interest, respectively. In accordance with SFAS 123(R), using the proposed initial public offering price to determine the Company’s equity value, through an independent valuation process, the

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

service phantom interest was valued at \$39.61 per point and the performance phantom interest was valued at \$39.61 per point. CVR has recorded \$10,817,390 and \$20,458,877 in personnel accruals as of December 31, 2006 and September 30, 2007, respectively. Compensation expense for the three and nine month periods ended September 30, 2007 related to the Phantom Unit Plan was \$4,061,877 and \$9,641,487, respectively. Compensation expense for the three and nine months ended September 30, 2006 related to the Phantom Unit Plan was (\$475,754) and \$900,496, respectively.

At September 30, 2007 there was approximately \$21.1 million of unrecognized compensation expense related to the Phantom Unit Plan. This is expected to be recognized over a period of five years.

Subsequent to September 30, 2007, in connection with the Company's initial public offering, the Company has created a second phantom unit appreciation plan with respect to CALLC II which mirrors in all respects the Phantom Unit Appreciation Plan as it relates to CALLC.

**(5) Inventories**

Inventories consist primarily of crude oil, blending stock and components, work in progress, fertilizer products, and refined fuels and by-products. Inventories are valued at the lower of moving-average cost, which approximates the first-in, first-out (FIFO) method, or market for fertilizer products and at the lower of FIFO cost or market for refined fuels and by-products for all periods presented. Refinery unfinished and finished products inventory values were determined using the ability-to-bare process, whereby raw materials and production costs are allocated to work-in-process and finished products based on their relative fair values. Other inventories, including other raw materials, spare parts, and supplies, are valued at the lower of average cost, which approximates FIFO, or market. The cost of inventories includes inbound freight costs.

Inventories consisted of the following (in thousands):

	December 31, 2006	September 30, 2007
Finished goods	\$ 59,722	\$ 94,069
Raw materials and catalysts	60,810	79,507
In-process inventories	18,441	15,901
Parts and supplies	22,460	20,376
	<u>\$ 161,433</u>	<u>\$ 209,853</u>

**(6) Planned Major Maintenance Costs**

The direct-expense method of accounting is used for planned major maintenance activities. Maintenance costs are recognized as expense when maintenance services are performed. The Coffeyville nitrogen plant last completed a major scheduled turnaround in the third quarter of 2006. The Coffeyville refinery started a major scheduled turnaround in February 2007 with completion in April 2007. Costs of \$76,754,014 associated with the 2007 turnaround were included in direct operating expenses (exclusive of depreciation and amortization) for the nine months ended September 30, 2007. No costs were incurred for the three months ended September 30, 2007. Costs of \$4,069,189 and \$4,407,137 associated primarily with the 2006 turnaround for the nitrogen plant were included in direct operating expenses (exclusive of depreciation and amortization) for the three and nine months ended September 30, 2006, respectively.

**(7) Cost Classifications**

Cost of product sold (exclusive of depreciation and amortization) includes cost of crude oil, other feedstocks, blendstocks, pet coke expense and freight and distribution expenses. Cost of product sold excludes depreciation and amortization of \$595,046 and \$1,791,563 for the three and nine months ended September 30, 2007, respectively.

## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Cost of product sold excludes depreciation and amortization of \$529,738 and \$1,553,030 for the three and nine months ended September 30, 2006, respectively.

Direct operating expenses (exclusive of depreciation and amortization) includes direct costs of labor, maintenance and services, energy and utility costs, environmental compliance costs as well as chemicals and catalysts and other direct operating expenses. Direct operating expenses exclude depreciation and amortization of \$9,582,478 and \$40,201,920 for the three and nine months ended September 30, 2007, respectively. Direct operating expenses exclude depreciation and amortization of \$11,682,825 and \$34,528,780 for the three and nine months ended September 30, 2006, respectively. Direct operating expenses also exclude depreciation of \$7,627,072 for both the three and nine months ended September 30, 2007 that is included in "Net costs associated with flood" on the consolidated statement of operations as a result of the assets being idled due to the flood.

Selling, general and administrative expenses (exclusive of depreciation and amortization) consist primarily of legal expenses, treasury, accounting, marketing, human resources and maintaining the corporate offices in Texas and Kansas. Selling, general and administrative expenses exclude depreciation and amortization of \$303,541 and \$680,040 for the three and nine months ended September 30, 2007, respectively. Selling, general and administrative expense excludes depreciation and amortization of \$574,973 and \$727,834 for the three and nine months ended September 30, 2006, respectively.

**(8) Long-Term Debt**

As a result of the flood and crude oil discharge, see Note 10, "Flood", and Note 12, "Commitments and Contingent Liabilities", the Company's subsidiaries entered into three new credit facilities in August 2007. Two of these facilities were subsequently repaid in full with proceeds from the initial public offering and the third facility terminated in connection with the initial public offering. CRLLC entered into a new \$25 million senior secured term loan (the \$25 million secured facility). The facility was secured by the same collateral that secured the Company's existing Credit Facility. Interest was payable in cash, at the Company's option, at the base rate plus 1.0% or the reserve adjusted Eurodollar rate plus 2.00%. CRLLC also entered into a new \$25 million senior unsecured term loan (the \$25 million unsecured facility). Interest was payable in cash, at the Company's option, at the base rate plus 1.0% or the reserve adjusted Eurodollar rate plus 2.00%. A subsidiary of CALLC, Refining Holdco, entered into a new \$75 million senior unsecured term loan (the \$75 million unsecured facility). Drawings could be made from time to time in amounts of at least \$5 million. Interest accrued, at the borrower's option, at the base rate plus 1.50% or at the reserve adjusted Eurodollar rate plus 2.50%. Interest was paid by adding such interest to the principal amount of loans outstanding. In addition, a commitment fee equal to 1.00% accrued and was paid by adding such fees to the principal amount of loans outstanding. No amount was ever drawn on the \$75 million unsecured facility.

The sole lead arranger and sole bookrunner for each of these facilities was Goldman Sachs Credit Partners L.P. The Company's obligations under the \$25 million secured facility and the \$25 million unsecured facility were guaranteed by substantially all of the Company's subsidiaries. The \$75 million unsecured facility was guaranteed by CALLC. In addition, each of GS Capital Partners V, L.P. and Kelso Investment Associates VII, L.P. guaranteed 50% of the aggregate amount of each of the three facilities. The maturity of each of these three facilities was January 31, 2008, with an automatic extension to August 23, 2008 upon completion of an initial public offering. The secured and unsecured credit facilities were paid in full on October 26, 2007 with proceeds from CVR's initial public offering, see Note 1, "Organization, Initial Public Offering, and Basis of Presentation", and both facilities were terminated. Interest accrued of approximately \$0.2 million through the payment date on these two facilities was also paid with proceeds from the initial public offering. Additionally, in connection with the consummation of the initial public offering, the \$75 million unsecured facility also terminated.

In connection with the repayment of the \$25 million secured facility and the \$25 million unsecured facility with the proceeds of CVR's initial public offering, the Company expects to write off approximately \$1.3 million of deferred financing fees in the fourth quarter of 2007.



## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The Company repaid \$280 million of term debt with proceeds from the initial public offering. Associated accrued interest was paid of \$5.7 million. After the initial public offering, the Company had approximately \$491.1 million of First Lien Tranche D term loans outstanding and \$7.2 million of outstanding borrowings under its Revolving Loan Facility.

**(9) Note Payable**

The Company entered into an insurance premium finance agreement with Cananwill, Inc. in July 2007 to finance the purchase of its property, liability, cargo and terrorism policies. The approximately \$5.9 million note will be repaid in nine equal installments with final payment in April 2008.

**(10) Flood**

On June 30, 2007, torrential rains in southeast Kansas caused the Verdigris River to overflow its banks and flood the town of Coffeyville, Kansas. As a result, the Company's refinery and nitrogen fertilizer plant were severely flooded resulting in significant damage to the refinery assets. The nitrogen fertilizer facility also sustained damage, but to a much lesser degree. The Company maintains property damage insurance which includes damage caused by a flood of up to \$300 million per occurrence subject to deductibles and other limitations. The deductible associated with the property damage is \$2.5 million.

Management is working closely with the Company's insurance carriers and claims adjusters to ascertain the full amount of insurance proceeds due to the Company as a result of the damages and losses. The Company has recognized a receivable from insurance at September 30, 2007 which management believes is probable of recovery from the insurance carriers. While management believes that the Company's property insurance should cover substantially all of the estimated total physical damage to the property, the Company's insurance carriers have cited potential coverage limitations and defenses that might preclude such a result.

The Company's insurance policies also provide coverage for interruption to the business, including lost profits, and reimbursement for other expenses and costs the Company has incurred relating to the damages and losses suffered for business interruption. This coverage, however, only applies to losses incurred after a business interruption of 45 days. Because the fertilizer plant was restored to operation within this 45-day period and the refinery restarted its last operating unit in 48 days, a substantial portion of the lost profits incurred because of the flood cannot be claimed under insurance. The Company is assessing its policies to determine how much, if any, of its lost profits after the 45-day period are recoverable. No amounts for recovery of lost profits under the Company's business interruption policy have been recorded in the accompanying consolidated financial statements.

As of September 30, 2007, the Company has recorded pretax costs of approximately \$34.3 million associated with the flood and related crude oil discharge as discussed in Note 12, "Commitments and Contingent Liabilities", including \$32.2 million in the third quarter of 2007. These amounts were net of anticipated insurance recoveries of approximately \$96.4 million. The components of the net costs as of September 30, 2007 include \$3.5 million for uninsured losses within the Company's insurance deductibles; \$7.6 million for depreciation for the temporarily idled facilities; \$5.1 million as a result of other uninsured expenses incurred which included salaries of \$1.2 million, professional fees of \$1.1 million and other miscellaneous amounts of \$2.8 million. The \$34.3 million net costs also included approximately \$18.1 million recorded with respect to the environmental remediation and property damage as discussed in Note 12, "Commitments and Contingent Liabilities". These costs are reported in "Net costs associated with flood" in the Consolidated Statements of Operations.

Total gross costs recorded due to the flood and related oil discharge that were included in the statement of operations for the three and nine months ended September 30, 2007 were approximately \$128.6 million and \$130.7 million. Of these gross costs for the nine month period ended September 30, 2007, approximately \$91.2 million were associated with repair and other matters as a result of the flood damage to the Company's facilities. Included in this cost was \$7.6 million of depreciation for temporarily idled facilities, \$5.9 million of

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

salaries, \$2.9 million of professional fees and \$74.8 million for other repair and related costs. There were approximately \$39.5 million costs recorded for the nine month period ended September 30, 2007 related to the third party and property damage remediation as a result of the crude oil discharge. Total accounts receivable from insurers for flood related matters approximated \$96.4 million at September 30, 2007, for which we believe collection is probable, including \$21.4 million related to the crude oil discharge and \$75.0 million as a result of the flood damage to the Company's facilities.

The Company anticipates that approximately \$15.5 million in additional third party costs related to the repair of flood damaged property will be recorded in future periods. The total third party cost to repair the refinery is currently estimated at approximately \$86 million, and the total third party cost to repair the nitrogen fertilizer facility is currently estimated at approximately \$4 million. Although the Company believes that it will recover substantial sums under its insurance policies, the Company is not sure of the ultimate amount or timing of such recovery because of the difficulty inherent in projecting the ultimate resolution of the Company's claims. The difference between what the Company ultimately receives under its insurance policies compared to what has been recorded and described above could be material to the consolidated financial statements.

As of September 30, 2007, the Company had not received any insurance proceeds. As of November 30, 2007, the Company received insurance proceeds of \$10 million under its property insurance policy, and an additional \$10 million under its environmental policies related to recovery of certain costs associated with the crude oil discharge. See Note 12, "Commitments and Contingent Liabilities" for additional information regarding environmental and other contingencies relating to the crude oil discharge that occurred on July 1, 2007.

**(11) Income Taxes**

In June 2006, the FASB issued FASB Interpretation No. (FIN) 48, *Accounting for Uncertain Tax Positions — an interpretation of FASB No. 109*. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB 109, by prescribing a minimum financial statement recognition threshold and measurement attribute for a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Company adopted the provisions of FIN 48 on January 1, 2007. The adoption of FIN 48 did not affect the Company's financial position or results of operations. The Company does not have any unrecognized tax benefits as of September 30, 2007.

Accordingly, the Company did not accrue or recognize any amounts for interest or penalties in its financial statements for the three and nine months ended September 30, 2007. The Company will classify interest to be paid on an underpayment of income taxes and any related penalties as income tax expense if it is determined, in a subsequent period, that a tax position is not more likely than not of being sustained.

CVR Energy and its subsidiaries file U.S. federal and various state income tax returns. The Company has not been subject to U.S. federal, state and local income tax examinations by tax authorities for any tax year. The U.S. federal and state tax years subject to examination are 2004 to 2006.

The Company's effective tax rate for the three and nine months ended September 30, 2007 was 78.0% and 69.4%, respectively, as compared to the federal statutory tax rate of 35%. The effective tax rate is higher primarily due to the correlation between the amount of credits which are projected to be generated for the production of ultra low sulfur diesel fuel in 2007 and the reduced level of projected pre-tax income for 2007.

The Company received credit certification from the Kansas Department of Commerce under the High Performance Incentive Program (HPIP) subsequent to September 30, 2007. Under the HPIP program, the Company anticipates that it will record a significant state income tax benefit in the fourth quarter of 2007 related to credits

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

earned on certain property placed in service for 2007 and 2006. The recognition of the credit earned will significantly increase the income tax benefit recorded in the fourth quarter of 2007.

**(12) Commitments and Contingent Liabilities**

The minimum required payments for the Company's lease agreements and unconditional purchase obligations are as follows:

	Operating Leases	Unconditional Purchase Obligations
Three months ending December 31, 2007	\$ 871,757	\$ 5,191,066
Year ending December 31, 2008	3,890,431	19,696,879
Year ending December 31, 2009	2,940,476	19,662,470
Year ending December 31, 2010	1,591,818	44,745,277
Year ending December 31, 2011	857,494	42,843,860
Year ending December 31, 2012	106,038	40,157,893
Thereafter	2,025	318,035,461
	<u>\$ 10,260,039</u>	<u>\$ 490,332,906</u>

The Company leases various equipment and real properties under long-term operating leases. For the three and nine months ended September 30, 2007, lease expense totaled \$850,354, and \$2,812,202, respectively. For the three and nine months ended September 30, 2006, lease expense totaled \$985,251 and \$2,823,689, respectively. The lease agreements have various remaining terms. Some agreements are renewable, at the Company's option, for additional periods. It is expected, in the ordinary course of business, that leases will be renewed or replaced as they expire.

The Company executed a Petroleum Transportation Service Agreement in June 2007 with TransCanada Keystone Pipeline, LP (TransCanada). TransCanada is proposing to construct, own and operate a pipeline system and a related extension and expansion of the capacity that would terminate near Cushing, Oklahoma. TransCanada has agreed to transport a contracted volume amount of at least 25,000 barrels per day with a Cushing Delivery Point as the contract point of delivery. The contract term is a 10 year period which will commence upon the completion of the pipeline system. The expected date of commencement is the fourth quarter of 2010 with termination of the transportation agreement estimated to be February 2020. The Company will pay a fixed and variable toll rate beginning during the month of commencement.

From time to time, the Company is involved in various lawsuits arising in the normal course of business, including matters such as those described below under, "Environmental, Health, and Safety Matters". Liabilities related to such lawsuits are recognized when the related costs are probable and can be reasonably estimated. Management believes the Company has accrued for losses for which it may ultimately be responsible. It is possible management's estimates of the outcomes will change within the next year due to uncertainties inherent in litigation and settlement negotiations. In the opinion of management, the ultimate resolution of any other litigation matters is not expected to have a material adverse effect on the accompanying consolidated financial statements. There can be no assurance that management's beliefs or opinions with respect to liability for potential litigation matters are accurate.

Crude oil was discharged from the Company's refinery on July 1, 2007 due to the short amount of time available to shut down and secure the refinery in preparation for the flood that occurred on June 30, 2007. As a result of the crude oil discharge, two putative class action lawsuits (one federal and one state) were filed seeking unspecified damages with class certification under applicable law for all residents, domiciliaries and property owners of Coffeyville, Kansas who were impacted by the oil release.

## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The Company filed a motion to dismiss the federal suit for lack of subject matter jurisdiction. On November 6, 2007, the judge in the federal class action lawsuit granted the Company's motion to dismiss. Due to the uncertainty of the state suit, the Company is unable to estimate a range of possible loss at this time for this exposure in excess of the amount accrued for the proposed purchase of homes and commercial property noted below. The Company intends to defend the state suit vigorously. Presently, the Company does not expect that the resolution of the suit will have a significant adverse effect on its business and results of operations.

As a result of the crude oil discharge that occurred on July 1, 2007, the Company entered into an administrative order on consent (the "Consent Order") with the EPA on July 10, 2007. As set forth in the Consent Order, the EPA concluded that the discharge of oil from the Company's refinery caused and may continue to cause an imminent and substantial threat to the public health and welfare. Pursuant to the Consent Order, the Company agreed to perform specified remedial actions to respond to the discharge of crude oil from the Company's refinery. The Company is currently remediating the crude oil discharge and expects its remedial actions to continue until December 2007.

The Company engaged experts to assess and test the areas affected by the crude oil spill. The Company commenced a program on July 19, 2007 to purchase approximately 320 homes and other commercial properties in connection with the flood and the crude oil release. The costs recorded as of September 30, 2007 related to the obligation of the homes being purchased, were approximately \$11.5 million, and are included in "Net Costs Associated With Flood" in the accompanying consolidated statement of operations. Costs recorded related to personal property claims were approximately \$1.7 million as of September 30, 2007. The costs recorded related to estimated commercial property to be purchased and associated claims were approximately \$3.6 million as of September 30, 2007. The total amount of gross costs recorded for the three and nine months ended September 30, 2007 related to the residential and commercial purchase and property claims program were approximately \$16.8 million.

As of September 30, 2007, the total costs recorded for obligations other than the purchase of homes, commercial properties, and related personal property claims, approximated \$22.7 million. The Company has recorded as of September 30, 2007, total costs (net of anticipated insurance recoveries recorded of \$21.4 million) associated with remediation and third party property damage claims resolution of approximately \$18.1 million. The Company has not estimated or accrued for, because management does not believe it is probable that there will be any potential fines, penalties or claims that may be imposed or brought by regulatory authorities or possible additional damages arising from class action lawsuits related to the flood.

It is difficult to estimate the ultimate cost of environmental remediation resulting from the crude oil discharge or the cost of third party property damage that the Company will ultimately be required to pay. The costs and damages that the Company will ultimately pay may be greater than the amounts described and projected above. Such excess costs and damages could be material to the consolidated financial statements.

The Company is seeking insurance coverage for this release and for the ultimate costs for remediation, property damage claims, cleanup, resolution of class action lawsuits, and other claims brought by regulatory authorities. Although the Company believes that it will recover substantial sums under its environmental and liability insurance policies, the Company is not sure of the ultimate amount or timing of such recovery because of the difficulty inherent in projecting the ultimate resolution of the Company's claims. The difference between what the Company receives under its insurance policies compared to what has been recorded and described above could be material to the consolidated financial statements. The Company has received \$10 million of insurance proceeds under its environmental insurance policy as of November 30, 2007.

***Environmental, Health, and Safety (EHS) Matters***

CVR is subject to various stringent federal, state, and local EHS rules and regulations. Liabilities related to EHS matters are recognized when the related costs are probable and can be reasonably estimated. Estimates of these costs are based upon currently available facts, existing technology, site-specific costs, and currently enacted laws

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

and regulations. In reporting EHS liabilities, no offset is made for potential recoveries. Such liabilities include estimates of the Company's share of costs attributable to potentially responsible parties which are insolvent or otherwise unable to pay. All liabilities are monitored and adjusted regularly as new facts emerge or changes in law or technology occur.

CVR owns and/or operates manufacturing and ancillary operations at various locations directly related to petroleum refining and distribution and nitrogen fertilizer manufacturing. Therefore, CVR has exposure to potential EHS liabilities related to past and present EHS conditions at some of these locations.

The Company agreed to perform corrective action pursuant to two Administrative Orders on Consent issued to Farmland Industries, Inc. (predecessor entity to the Company) under the Resource Conservation and Recovery Act, as amended (RCRA), for the Coffeyville, Kansas refinery and Phillipsburg, Kansas terminal. In 2005, Coffeyville Resources Nitrogen Fertilizers, LLC agreed to participate in the State of Kansas Voluntary Cleanup and Property Redevelopment Program (VCPRP) to address a reported release of urea ammonium nitrate (UAN) at the Coffeyville UAN loading rack. As of December 31, 2006 and September 30, 2007, environmental accruals of \$7,222,754 and \$7,177,347, respectively, were reflected in the consolidated balance sheets for probable and estimated costs for remediation of environmental contamination under the RCRA Administrative Orders and the VCPRP, including amounts totaling \$1,827,649 and \$1,573,463, respectively, included in other current liabilities. The accruals were determined based on an estimate of payment costs through 2033, which scope of remediation was arranged with the Environmental Protection Agency (the EPA) and are discounted at the appropriate risk free rates at December 31, 2006 and September 30, 2007, respectively. The accruals include estimated closure and post-closure costs of \$1,857,000 and \$1,809,000 for two landfills at December 31, 2006 and September 30, 2007, respectively. The estimated future payments for these required obligations are as follows (in thousands):

	<u>Amount</u>
Three months ending December 31, 2007	\$ 518
Year ending December 31, 2008	1,302
Year ending December 31, 2009	919
Year ending December 31, 2010	587
Year ending December 31, 2011	354
Year ending December 31, 2012	760
Thereafter	<u>5,184</u>
Undiscounted total	9,624
Less amounts representing interest at 4.67%	<u>2,447</u>
Accrued environmental liabilities at September 30, 2007	<u>\$ 7,177</u>

In March 2004, a predecessor entity to CVR entered into a Consent Decree with the EPA and the Kansas Department of Health and Environment (KDHE) related to Farmland Industries, Inc.'s prior operation of the Company's oil refinery. Under the Consent Decree, the Company agreed to install controls on certain process equipment and make certain operational changes at the refinery. As a result of this agreement to install certain controls and implement certain operational changes, the EPA and KDHE agreed not to impose civil penalties, and provided a release from liability for Farmland's alleged noncompliance with the issues addressed by the Consent Decree. Pursuant to the Consent Decree, in the short term, the Company has increased the use of catalyst additives to the fluid catalytic cracking unit at the facility to reduce emissions of SO<sub>2</sub>. The Company will begin adding catalyst to reduce oxides of nitrogen, or NO<sub>x</sub>, in 2008. In the longer term, the Company will install controls to minimize SO<sub>2</sub> emissions and will install controls or otherwise reduce NO<sub>x</sub> emissions by January 1, 2011. There are other permitting, monitoring, record-keeping and reporting requirements associated with the Consent Decree. The overall cost of complying with the Consent Decree is expected to be approximately \$41 million, of which approximately \$35 million is expected to be capital expenditures. The estimated costs do not include the cleanup obligations that

**CVR ENERGY, INC. AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

the Company assumed pursuant to the Consent Decree under the Administrative Orders on Consent previously described.

The EPA is continuing with its Petroleum Refining Initiative alleging industry-wide noncompliance with four “marquee” issues: New Source Review, flaring, leak detection and repair, and Benzene Waste Operations NESHAP. The Petroleum Refining Initiative has resulted in many refiners entering into consent decrees imposing civil penalties and requiring substantial expenditures for additional or enhanced pollution control. At this time, management does not know how, if at all, the Petroleum Refining Initiative will affect the Company as the current Consent Decree covers some, but not all, of the “marquee” issues.

On November 15, 2007, the Governor of Kansas, Kathleen Sebelius, signed the Midwestern Greenhouse Gas Accord, whereby six states and the Canadian Province of Manitoba agreed to endeavor to establish greenhouse gas reduction targets and develop a market-based and multi-sector cap-and-trade mechanism to achieve these reduction targets. At the time, management does not know to what extent the Midwestern Greenhouse Gas Accord will affect the Company, and its facilities that emit greenhouse gases, could be regulated.

Periodically, the Company receives communications from various federal, state and local governmental authorities asserting violation(s) of environmental laws and/or regulations. These governmental entities may also propose or assess fines or require corrective action for these asserted violations. The Company intends to respond in a timely manner to all such communications and to take appropriate corrective action. The Company does not anticipate that any such matters currently asserted will have a material adverse impact on the financial condition, results of operations or cash flows.

Management periodically reviews and, as appropriate, revises its environmental accruals. Based on current information and regulatory requirements, management believes that the accruals established for environmental expenditures are adequate.

The EPA has issued regulations intended to limit amounts of sulfur in diesel and gasoline. The EPA has granted the Company a petition for a technical hardship waiver with respect to the date for compliance in meeting the sulfur-lowering standards. CVR has spent approximately \$2 million in 2004, \$27 million in 2005, \$79 million in 2006, \$17 million in the first nine months of 2007 and, based on information currently available, anticipates spending approximately \$0 million in the last three months of 2007, \$5 million in 2008, \$18 million in 2009, and \$22 million in 2010 to comply with the low-sulfur rules. The entire amounts are expected to be capitalized.

Environmental expenditures are capitalized when such expenditures are expected to result in future economic benefits. For the nine month period ended September 30, 2006 and 2007, capital expenditures were \$172,950,392 and \$102,775,474, respectively, and were incurred to improve the environmental compliance and efficiency of the operations.

CVR believes it is in substantial compliance with existing EHS rules and regulations. There can be no assurance that the EHS matters described above or other EHS matters which may develop in the future will not have a material adverse effect on the business, financial condition, or results of operations.

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**(13) Derivative Financial Instruments**

Loss on derivatives consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
Realized loss on swap agreements	\$ (12,735,079)	\$ (45,351,557)	\$ (46,147,786)	\$ (142,566,824)
Unrealized gain (loss) on swap agreements	178,545,946	90,196,226	80,322,487	(98,294,206)
Realized gain (loss) on other agreements	8,809,112	(1,246,747)	6,146,779	(8,833,758)
Unrealized gain (loss) on other agreements	1,127,332	726,178	1,530,184	(837,339)
Realized gain on interest rate swap agreements	1,398,512	964,675	3,139,935	3,282,117
Unrealized loss on interest rate swap agreements	(5,936,928)	(4,756,280)	(244,746)	(4,661,929)
<b>Total gain (loss) on derivatives</b>	<b>\$ 171,208,895</b>	<b>\$ 40,532,495</b>	<b>\$ 44,746,853</b>	<b>\$ (251,911,939)</b>

CVR is subject to price fluctuations caused by supply conditions, weather, economic conditions, and other factors and to interest rate fluctuations. To manage price risk on crude oil and other inventories and to fix margins on certain future production, CVR may enter into various derivative transactions. In addition, CALLC, as further described below, entered into certain commodity derivative contracts and an interest rate swap as required by the long-term debt agreements.

CVR has adopted SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, (SFAS 133). SFAS 133 imposes extensive record-keeping requirements in order to designate a derivative financial instrument as a hedge. CVR holds derivative instruments, such as exchange-traded crude oil futures, certain over-the-counter forward swap agreements, and interest rate swap agreements, which it believes provide an economic hedge on future transactions, but such instruments are not designated as hedges. Gains or losses related to the change in fair value and periodic settlements of these derivative instruments are classified as loss on derivatives.

At September 30, 2007, CVR's Petroleum Segment held commodity derivative contracts (swap agreements) for the period from July 1, 2005 to June 30, 2010 with a related party (see Note 14, "Related Party Transactions"). The swap agreements were originally executed by CALLC on June 16, 2005 and were required under the terms of the Company's long-term debt agreements. The notional quantities on the date of execution were 100,911,000 barrels of crude oil; 1,889,459,250 gallons of heating oil and 2,348,802,750 gallons of unleaded gasoline. The swap agreements were executed at the prevailing market rate at the time of execution and management believes the swap agreements provide an economic hedge on future transactions. At September 30, 2007 the notional open amounts under the swap agreements were 48,496,750 barrels of crude oil, 1,018,431,750 gallons of heating oil and 1,018,431,750 gallons of unleaded gasoline. These positions resulted in unrealized gains (losses) for the three and nine month periods ended September 30, 2007 of \$90,196,226 and \$(98,294,206), respectively, using a valuation method that utilizes quoted market prices and assumptions for the estimated forward yield curves of the related commodities in periods when quoted market prices are unavailable. Unrealized gains were recorded for the three and nine month periods ended September 30, 2006 of \$178,545,946 and \$80,322,487. The Petroleum Segment recorded \$(45,351,557) and \$(142,566,824) in realized gains (losses) on these swap agreements for the three and nine month periods ended September 30, 2007, respectively. Realized gains (losses) for the three and nine months ended September 30, 2006 were recorded of \$(12,735,079) and \$(46,147,786), respectively.

The Petroleum Segment also recorded mark-to-market net gains (losses), exclusive of the swap agreements described above and the interest rate swaps described in the following paragraph, in gain (loss) on derivatives of \$(520,569), and \$(9,671,097), for the three and nine month periods ended September 30, 2007, respectively and \$9,936,444 and \$7,676,963 for the three and nine month periods ended September 30, 2006, respectively. All of the activity related to the commodity derivative contracts is reported in the Petroleum Segment.

## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

At September 30, 2007, CRLLC held derivative contracts known as interest rate swap agreements that converted CRLLC's floating-rate bank debt into 4.195% fixed-rate debt on a notional amount of \$325,000,000. Half of the agreements are held with a related party (as described in Note 14, "Related Party Transactions"), and the other half are held with a financial institution that is a lender under CRLLC's long-term debt agreements. The swap agreements carry the following terms:

<u>Period Covered</u>	<u>Notional Amount</u>	<u>Fixed Interest Rate</u>
June 29, 2007 to March 30, 2008	325 million	4.195%
March 31, 2008 to March 30, 2009	250 million	4.195%
March 31, 2009 to March 30, 2010	180 million	4.195%
March 31, 2010 to June 29, 2010	110 million	4.195%

CVR pays the fixed rates listed above and receives a floating rate based on three-month LIBOR rates, with payments calculated on the notional amounts listed above. The notional amounts do not represent actual amounts exchanged by the parties but instead represent the amounts on which the contracts are based. The swap is settled quarterly and marked to market at each reporting date, and all unrealized gains and losses are currently recognized in income. Transactions related to the interest rate swap agreements were not allocated to the Petroleum or Nitrogen Fertilizer segments. Mark-to-market net gains (losses) on derivatives and quarterly settlements were \$(3,791,605) and \$(1,379,812) for the three and nine month periods ended September 30, 2007, respectively. Mark-to-market net gains (losses) on derivatives and quarterly settlements were \$(4,538,416) and \$2,895,189 for the three and nine month periods ended September 30, 2006, respectively.

**(14) Related Party Transactions**

GS Capital Partners V Fund, L.P. and related entities (GS) and Kelso Investment Associates VII, L.P. and related entity (Kelso) were majority owners of CALLC as of September 30, 2007.

On June 24, 2005, CALLC entered into management services agreements with each of GS and Kelso pursuant to which GS and Kelso agreed to provide CALLC with managerial and advisory services. In consideration for these services, an annual fee of \$1.0 million each was paid to GS and Kelso, plus reimbursement for any out-of-pocket expenses. The agreements had a term ending on the date GS and Kelso ceased to own any interests in CALLC. Relating to the agreements, \$500,000 and \$1,581,849 was expensed in selling, general, and administrative expenses (exclusive of depreciation and amortization) for the three and nine months ended September 30, and 2007, respectively. \$518,264 and \$1,566,891 were expensed in selling, general, and administrative expense (exclusive of depreciation and amortization) for the three and nine months ended September 30, 2006. The agreements terminated upon consummation of CVR's initial public offering on October 26, 2007. The Company paid a one-time fee of \$5 million to each of GS and Kelso by reason of such termination on October 26, 2007.

CALLC entered into certain crude oil, heating oil, and gasoline swap agreements with a subsidiary of GS. Additional swap agreements with this subsidiary of GS were entered into on June 16, 2005, with an expiration date of June 30, 2010 (as described in Note 13, "Derivative Financial Instruments"). Amounts totaling \$44,844,669 and \$(240,861,030) were recognized related to these swap agreements for the three and nine months ended September 30, 2007, respectively, and are reflected in gain (loss) on derivatives. Amounts totaling \$165,810,867 and \$34,174,701 were recognized for the three and nine months ended September 30, 2006, respectively. In addition, the consolidated balance sheet at December 31, 2006 and September 30, 2007 includes liabilities of \$36,894,802 and \$241,427,327 included in current payable to swap counterparty and \$72,806,486 and \$99,202,285 included in long-term payable to swap counterparty.

On June 26, 2007, the Company entered into a letter agreement with the subsidiary of GS to defer a \$45.0 million payment owed on July 8, 2007 to the GS subsidiary for the period ended September 30, 2007 until August 7, 2007. Interest accrued on the deferred amount of \$45.0 million at the rate of LIBOR plus 3.25%.



## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

As a result of the flood and the related temporary cessation of business operations, the Company entered into a subsequent letter agreement on July 11, 2007 in which the GS subsidiary agreed to defer an additional \$43.7 million of the balance owed for the period ending June 30, 2007. This deferral was entered into on the conditions that each of GS and Kelso each agreed to guarantee one half of the payment and that interest accrued on the \$43.7 million from July 9, 2007 to the date of payment at the rate of LIBOR plus 1.50%.

On July 26, 2007, the Company entered into a letter agreement in which the GS subsidiary agreed to defer to September 7, 2007 both the \$45.0 million payment due August 7, 2007 along with accrued interest and the \$43.7 million payment due July 25, 2007 with the related accrued interest. These payments were deferred on the conditions that GS and Kelso each agreed to guarantee one half of the payments. Additionally, interest accrues on the amount from July 26, 2007 to the date of payment at the rate of LIBOR plus 1.50%.

On August 23, 2007, the Company entered into an additional letter agreement in which the GS subsidiary agreed to further defer both deferred payment amounts and the related accrued interest with payment being due on January 31, 2008. Additionally, it was further agreed that the \$35 million payment to settle hedged volumes through August 15, 2007 would be deferred with payment being due on January 31, 2008. Interest accrues on all deferral amounts through the payment due date at LIBOR plus 1.50%. GS and Kelso have each agreed to guarantee one half of all payment deferrals. The GS Subsidiary further agreed to defer these payment amounts to August 31, 2008 if the Company closed an initial public offering prior to January 31, 2008. Due to the consummation of the initial public offering on October 26, 2007, these payment amounts are now deferred until August 31, 2008; however, the company is required to use 37.5% of its consolidated excess cash flow for any quarter after January 31, 2008 to prepay the deferral amounts.

These deferred payment amounts are included in the consolidated balance sheet at September 30, 2007 in current payable to swap counterparty. Interest relating to the deferred payment amounts reflected in interest expense for the three and nine month periods ended September 30, 2007 was \$1,505,950 and \$1,505,950, respectively. \$1,505,950 is also included in other current liabilities at September 30, 2007.

On August 23, 2007, the Company entered into three new credit facilities, consisting of a \$25 million secured facility, a \$25 million unsecured facility and a \$75 million unsecured facility. A subsidiary of GS was the sole lead arranger and sole bookrunner for each of these new credit facilities. These credit facilities and their arrangements are more fully described in Note 9, "Long-Term Debt". The Company paid the subsidiary of GS a \$1.3 million fee included in deferred financing costs. For both the three and nine month periods ended September 30, 2007, interest expenses relating to these agreements were \$567,209. This amount is included in other current liabilities at September 30, 2007. The secured and unsecured facilities were paid in full on October 26, 2007 with proceeds from CVR's initial public offering, see Note 1, "Organization, Initial Public Offering, and Basis of Presentation", and both facilities terminated. Additionally, in connection with the consummation of the initial public offering, the \$75 million unsecured facility also terminated.

On June 30, 2005, CALLC entered into three interest-rate swap agreements with the same subsidiary of GS (as described in Note 13, "Derivative Financial Instruments"). Gains (losses) totaling \$(1,893,613) and \$(682,869) were recognized related to these swap agreements for the three and nine months ended September 30, 2007, respectively, and are reflected in gain (loss) on derivatives. Gains (losses) totaling \$(2,280,293) and \$1,441,526 were recognized related to these swap agreements for the three and nine months ended September 30, 2006, respectively. In addition, the consolidated balance sheet at December 31, 2006 and September 30, 2007 includes \$1,533,738 and \$443,477 in prepaid expenses and other current assets and \$2,014,504 and \$776,084 in other long-term assets related to the same agreements, respectively.

Effective December 30, 2005, the Company entered into a crude oil supply agreement with a subsidiary of GS (Supplier). This agreement replaced a similar contract held with an independent party. Both parties will negotiate the cost of each barrel of crude oil to be purchased from a third party. CVR will pay Supplier a fixed supply service fee per barrel over the negotiated cost of each barrel of crude purchased. The cost is adjusted further using a spread

## CVR ENERGY, INC. AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

adjustment calculation based on the time period the crude oil is estimated to be delivered to the refinery, other market conditions, and other factors deemed appropriate. The monthly spread quantity for any delivery month at any time shall not exceed approximately 3.1 million barrels. The initial term of the agreement was to December 31, 2006. CVR and Supplier agreed to extend the term of the Supply Agreement for an additional 12 month period, January 1, 2006 through December 31, 2007 and in connection with the extension amended certain terms and conditions of the Supply Agreement. \$1,622,824 and \$912,091 were recorded on the consolidated balance sheet at December 31, 2006 and September 30, 2007, respectively, in prepaid expenses and other current assets for prepayment of crude oil. In addition, \$31,750,784 and \$41,644,294 were recorded in inventory and \$13,458,977 and \$24,995,809 were recorded in accounts payable at December 31, 2006 and September 30, 2007, respectively. Expenses associated with this agreement, included in cost of product sold (exclusive of depreciation and amortization) for the three and nine month periods ended September 30, 2007 totaled \$249,657,118 and \$765,799,978, respectively. Expenses associated with this agreement, in cost of product sold (exclusive of depreciation and amortization) for the three and nine month periods ended September 30, 2006 were \$444,871,411 and \$1,230,270,562, respectively. Interest expense associated with this agreement for the three and nine month periods ended September 30, 2007 totaled \$57,148 and \$(865,265), respectively.

On October 24, 2007, CVR paid a cash dividend, see Note 16, "Dividends", to its shareholders, including approximately \$5.23 million that was ultimately distributed from CALLC II (Goldman Sachs Funds) and approximately \$5.15 million distributed from CALLC to the Kelso Funds. Management collectively received approximately \$0.13 million.

**(15) Business Segments**

CVR measures segment profit as operating income for Petroleum and Nitrogen Fertilizer, CVR's two reporting segments, based on the definitions provided in SFAS No. 131, *Disclosures About Segments of an Enterprise and Related Information*.

**Petroleum**

Principal products of the Petroleum Segment are refined fuels, propane, and petroleum refining by-products including coke. CVR uses the coke in the manufacture of nitrogen fertilizer at the adjacent nitrogen fertilizer plant. For CVR, a \$15-per-ton transfer price is used to record intercompany sales on the part of the Petroleum Segment and corresponding intercompany cost of product sold (exclusive of depreciation and amortization) for the Nitrogen Fertilizer Segment. The intercompany transactions are eliminated in the Other Segment. Intercompany sales included in Petroleum net sales were \$679,785 and \$2,560,380 for the three and nine month periods ended September 30, 2007, respectively. Intercompany sales included in petroleum net sales were \$1,233,255 and \$3,961,995 for the three and nine month periods ended September 30, 2006.

**Nitrogen Fertilizer**

The principal products of the Nitrogen Fertilizer Segment are anhydrous ammonia and urea ammonia nitrate solution (UAN). Intercompany cost of product sold (exclusive of depreciation and amortization) for the coke transfer described above was \$630,836, and \$2,596,814 for the three and nine month periods ended September 30, 2007, respectively. Intercompany cost of product sold (exclusive of depreciation and amortization) for the coke transfer was \$1,134,167 and \$3,804,870 for the three and nine month periods ended September 30, 2006.

**Other Segment**

The Other Segment reflects intercompany eliminations, cash and cash equivalents, all debt related activities, income tax activities and other corporate activities that are not allocated to the operating segments.

**CVR ENERGY, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
<b>Net sales</b>				
Petroleum	\$ 747,296,328	\$ 545,901,618	\$ 2,204,959,676	\$ 1,707,343,835
Nitrogen Fertilizer	32,523,169	40,755,925	128,155,190	115,090,215
Other	—	—	—	—
Intersegment eliminations	(1,233,255)	(679,785)	(3,961,995)	(2,560,380)
<b>Total</b>	<b>\$ 778,586,242</b>	<b>\$ 585,977,758</b>	<b>\$ 2,329,152,871</b>	<b>\$ 1,819,873,670</b>
<b>Cost of product sold (exclusive of depreciation and amortization)</b>				
Petroleum	\$ 637,506,751	\$ 443,081,267	\$ 1,828,052,007	\$ 1,312,150,415
Nitrogen Fertilizer	8,254,768	3,719,172	23,829,421	9,909,326
Other	—	—	(1)	—
Intersegment eliminations	(1,134,167)	(630,836)	(3,804,870)	(2,596,815)
<b>Total</b>	<b>\$ 644,627,352</b>	<b>\$ 446,169,603</b>	<b>\$ 1,848,076,557</b>	<b>\$ 1,319,462,926</b>
<b>Direct operating expenses (exclusive of depreciation and amortization)</b>				
Petroleum	\$ 38,172,132	\$ 29,544,102	\$ 97,254,100	\$ 170,684,235
Nitrogen Fertilizer	18,523,385	14,896,102	47,207,127	48,122,053
Other	—	—	—	—
<b>Total</b>	<b>\$ 56,695,517</b>	<b>\$ 44,440,204</b>	<b>\$ 144,461,227</b>	<b>\$ 218,806,288</b>
<b>Net costs associated with flood</b>				
Petroleum	\$ —	\$ 28,595,169	\$ —	\$ 30,629,922
Nitrogen Fertilizer	—	1,891,736	—	1,995,925
Other	—	1,705,437	—	1,705,437
<b>Total</b>	<b>\$ —</b>	<b>\$ 32,192,342</b>	<b>\$ —</b>	<b>\$ 34,331,284</b>
<b>Depreciation and amortization</b>				
Petroleum	\$ 7,949,815	\$ 6,616,389	\$ 23,561,843	\$ 29,695,304
Nitrogen Fertilizer	4,330,102	3,585,748	12,714,478	12,377,096
Other	507,619	278,928	533,323	601,123
<b>Total</b>	<b>\$ 12,787,536</b>	<b>\$ 10,481,065</b>	<b>\$ 36,809,644</b>	<b>\$ 42,673,523</b>
<b>Operating income (loss)</b>				
Petroleum	\$ 55,498,485	\$ 26,487,906	\$ 233,522,252	\$ 129,357,929
Nitrogen Fertilizer	(3,007,016)	13,833,936	34,058,010	34,863,022
Other	(342,575)	(1,662,063)	(571,233)	(1,743,360)
<b>Total</b>	<b>\$ 52,148,894</b>	<b>\$ 38,659,779</b>	<b>\$ 267,009,029</b>	<b>\$ 162,477,591</b>
<b>Capital expenditures</b>				
Petroleum			\$ 157,606,403	\$ 235,862,328
Nitrogen Fertilizer			12,710,765	3,597,482
Other			2,633,223	235,072
<b>Total</b>			<b>\$ 172,950,391</b>	<b>\$ 239,694,882</b>

CVR ENERGY, INC. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Year Ended December 31, 2006	Nine Months Ended September 30, 2007
Total assets		
Petroleum	\$ 907,314,951	\$ 1,209,530,905
Nitrogen Fertilizer	417,657,093	414,245,628
Other	124,507,471	224,791,234
Total	<u>\$ 1,449,479,515</u>	<u>\$ 1,848,567,767</u>
Goodwill		
Petroleum	\$ 42,806,422	\$ 42,806,422
Nitrogen Fertilizer	40,968,463	40,968,463
Other	—	—
Total	<u>\$ 83,774,885</u>	<u>\$ 83,774,885</u>

**(16) Dividend**

CVR declared a cash dividend of \$0.168 per share on its common stock to shareholders of record on October 16, 2007. The total cash required for the dividend declared was \$10.6 million.

**(17) Subsequent Event**

During the fourth quarter of 2007, a subsidiary of the Company, CRRM, entered into an agreement for additional crude oil storage and terminalling services with a counterparty beginning January 1, 2008 and ending on December 31, 2014. Average monthly commitments under this agreement for the first nine months will approximate \$124,000 with the average monthly commitments for the remaining term increasing to approximately \$250,000. This increase results from increased storage capacity beginning on October 1, 2008 and is subject to potential rate acceleration. In conjunction with this agreement, the Company's subsidiary also extended the term of its current crude oil storage and terminalling agreement with the same counterparty to December 31, 2014.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our financial statements and related notes included elsewhere in this report.*

**Forward-Looking Statements**

This Form 10-Q, including this management's discussion and analysis, contains "forward-looking statements" as defined by the Securities and Exchange Commission ("SEC"). Such statements are those concerning contemplated transactions and strategic plans, expectations and objectives for future operations. These include, without limitation:

- statements, other than statements of historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future;
- statements relating to future financial performance, future capital sources and other matters; and
- any other statements preceded by, followed by or that include the words "anticipates," "believes," "expects," "plans," "intends," "estimates," "projects," "could," "should," "may," or similar expressions

Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this Form 10-Q, including this management's discussion and analysis, are reasonable, we can give no assurance that such plans, intentions or expectations will be achieved. These statements are based on assumptions made by us based on our experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate in the circumstances. Such statements are subject to a number of risks and uncertainties, many of which are beyond our control. You are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements as a result of various factors, including but not limited to those set forth under "Risk Factors" and contained elsewhere in this Report.

All forward-looking statements contained in this Form 10-Q only speak as of the date of this document. We undertake no obligation to update or revise publicly any forward-looking statements to reflect events or circumstances that occur after the date of this Form 10-Q, or to reflect the occurrence of unanticipated events.

**Company Overview**

We are an independent refiner and marketer of high value transportation fuels and a producer of ammonia and UAN fertilizers.

We operate under two business segments: Petroleum and Nitrogen Fertilizer. Our petroleum business includes a 113,500 bpd complex full coking sour crude refinery in Coffeyville, Kansas. In addition, supporting businesses include (1) a crude oil gathering system serving central Kansas, northern Oklahoma, and southwest Nebraska, (2) storage and terminal facilities for asphalt and refined fuels in Phillipsburg, Kansas, and (3) a rack marketing division supplying product through tanker trucks directly to customers located in close geographic proximity to Coffeyville and Phillipsburg and at throughput terminals on Midstream Partners L.P.'s (Magellan) refined products distribution systems. In addition to rack sales (sales which are made at terminals into third party tanker trucks), we make bulk sales (sales through third party pipelines) into the mid-continent markets via Magellan and into Colorado and other destinations utilizing the product pipeline networks owned by Magellan, Enterprise Products Partners L.P. and NuStar Energy L.P. Our refinery is situated approximately 100 miles from Cushing, Oklahoma, one of the largest crude oil trading and storage hubs in the United States, served by numerous pipelines from locations including the U.S. Gulf coast and Canada, providing us with access to virtually any crude variety in the world capable of being transported by pipeline.

The nitrogen fertilizer segment consists of our interest in CVR Partners, L.P, a limited partnership controlled by our affiliates, which operates a nitrogen fertilizer plant and the nitrogen fertilizer business. The nitrogen fertilizer business is the lowest cost producer of ammonia and UAN in North America, assuming natural gas prices remain at current levels. The fertilizer plant is the only commercial facility in North America utilizing a coke gasification

process to produce nitrogen fertilizers. Its redundant train gasifier provides exceptional on-stream reliability and the use of low cost by-product pet coke feed from the adjacent oil refinery as feedstock (rather than natural gas) to produce hydrogen provides the facility with a significant competitive advantage compared to high and volatile natural gas prices. The plant's competition utilizes natural gas to produce ammonia.

#### **Initial Public Offering**

On October 26, 2007 we completed an initial public offering of 23,000,000 shares of our common stock. The initial public offering price was \$19.00 per share. The net proceeds to us from the sale of our common stock were approximately \$408.5 million, after deducting underwriting discounts and commissions. We also incurred approximately \$11.4 million of other costs related to the initial public offering.

The net proceeds from the offering were used to repay \$280 million of CVR's outstanding term loan debt and to repay in full the \$25 million secured credit facility and the \$25 million unsecured credit facility. We also repaid \$50 million of indebtedness under our revolving credit facility. Associated with the repayment of the \$25 million secured facility and the \$25 million unsecured facility, we expect to record a write-off of unamortized deferred financing fees of approximately \$1.3 million in the fourth quarter of 2007.

In connection with the initial public offering, we also became the indirect owner of Coffeyville Resources, LLC and all of its refinery assets. This was accomplished by CVR issuing 62,866,720 shares of its common stock to certain entities controlled by its majority stockholder in exchange for the interests in certain subsidiaries of CALLC. Immediately following the completion of the offering, there were 86,141,291 shares of common stock outstanding, excluding any restricted shares issued.

#### **Major Influences on Results of Operations**

*Petroleum Business.* Our earnings and cash flows from our petroleum operations are primarily affected by the relationship between refined product prices and the prices for crude oil and other feedstocks. Feedstocks are petroleum products, such as crude oil and natural gas liquids, that are processed and blended into refined products. The cost to acquire feedstocks and the price for which refined products are ultimately sold depend on factors beyond our control, including the supply of, and demand for, crude oil, as well as gasoline and other refined products which, in turn, depend on, among other factors, changes in domestic and foreign economies, weather conditions, domestic and foreign political affairs, production levels, the availability of imports, the marketing of competitive fuels and the extent of government regulation. Because we apply first-in, first-out, or FIFO, accounting to value our inventory, crude oil price movements may impact net income in the short term because of instantaneous changes in the value of the minimally required, unhedged on hand inventory. The effect of changes in crude oil prices on our results of operations is influenced by the rate at which the prices of refined products adjust to reflect these changes.

Feedstock and refined product prices are also affected by other factors, such as product pipeline capacity, local market conditions and the operating levels of competing refineries. Crude oil costs and the prices of refined products have, historically, been subject to wide fluctuations. An expansion or upgrade of our competitors' facilities, price volatility, international political and economic developments and other factors beyond our control are likely to continue to play an important role in refining industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and reduction in product margins. Moreover, the refining industry typically experiences seasonal fluctuations in demand for refined products, such as increases in the demand for gasoline during the summer driving season and for home heating oil during the winter, primarily in the Northeast.

In order to assess our operating performance, we compare our net sales, less cost of product sold (refining margin), against an industry refining margin benchmark. The industry refining margin is calculated by assuming that two barrels of benchmark light sweet crude oil is converted into one barrel of conventional gasoline and one barrel of distillate. This benchmark is referred to as the 2-1-1 crack spread. Because we calculate the benchmark margin using the market value of NYMEX gasoline and heating oil against the market value of NYMEX WTI (WTI) crude oil (West Texas Intermediate crude oil, which is used as a benchmark for other crude oils), we refer to the benchmark as the NYMEX 2-1-1 crack spread, or simply, the 2-1-1 crack spread. The 2-1-1 crack spread is

expressed in dollars per barrel and is a proxy for the per barrel margin that a sweet crude refinery would earn assuming it produced and sold the benchmark production of gasoline and distillate.

Although the 2-1-1 crack spread is a benchmark for our refinery margin, because our refinery has certain feedstock costs and/or logistical advantages as compared to a benchmark refinery and our product yield is less than total refinery throughput, the crack spread does not account for all the factors that affect refinery margin. Our refinery is able to process a blend of crude oil that includes quantities of heavy and medium sour crude oil that has historically cost less than WTI crude oil. We measure the cost advantage of our crude oil slate by calculating the spread between the price of our delivered crude oil to the price of WTI crude oil, a light sweet crude oil. The spread is referred to as our crude discount. Our refinery margin can be impacted significantly by the consumed crude differential. Our consumed crude differential will move directionally with changes in the WTS differential to WTI and the Maya differential to WTI as both these differentials indicate the relative price of heavier, more sour, slate to WTI. The correlation between our consumed crude differential and published differentials will vary depending on the volume of light medium sour crude and heavy sour crude we purchase as a percent of our total crude volume and will correlate more closely with such published differentials the heavier and more sour the crude oil slate.

We produce a high volume of high value products, such as gasoline and distillates. We benefit from the fact that our marketing region consumes more refined products than it produces so that the market prices of our products have to be high enough to cover the logistics cost for the U.S. Gulf Coast refineries to ship into our region. The result of this logistical advantage and the fact the actual product specification used to determine the NYMEX is different from the actual production in the refinery is that prices we realize are different than those used in determining the 2-1-1 crack spread. The difference between our price and the price used to calculate the 2-1-1 crack spread is referred to as gasoline PADD II, Group 3 vs. NYMEX basis, or gasoline basis, and heating oil PADD II, Group 3 vs. NYMEX basis, or heating oil basis.

Our direct operating expense structure is also important to our profitability. Major direct operating expenses include energy, employee labor, maintenance, contract labor, and environmental compliance. Our predominant variable cost is energy which is comprised primarily of electrical cost and natural gas.

Consistent, safe, and reliable operations at our refinery are key to our financial performance and results of operations. Unplanned downtime at our refinery may result in lost margin opportunity, increased maintenance expense and a temporary increase in working capital investment and related inventory position.

*Nitrogen Fertilizer Business.* In the nitrogen fertilizer business, earnings and cash flow from operations are primarily affected by the relationship between nitrogen fertilizer product prices and direct operating expenses. Unlike its competitors, the nitrogen fertilizer business uses minimal natural gas as feedstock and, as a result, is not directly impacted in terms of cost by high or volatile swings in natural gas prices. Instead, our adjacent oil refinery supplies the majority of the coke feedstock needed by the nitrogen fertilizer business. The price at which nitrogen fertilizer products are ultimately sold depends on numerous factors, including the supply of, and the demand for, nitrogen fertilizer products which, in turn, depends on, among other factors, the price of natural gas, the cost and availability of fertilizer transportation infrastructure, changes in the world population, weather conditions, grain production levels, the availability of imports, and the extent of government intervention in agriculture markets. While net sales of the nitrogen fertilizer business could fluctuate significantly with movements in natural gas prices during periods when fertilizer markets are weak and sell at the floor price, high natural gas prices do not force the nitrogen fertilizer business to shut down its operations because it employs pet coke as a feedstock to produce ammonia and UAN.

Nitrogen fertilizer prices are also affected by other factors, such as local market conditions and the operating levels of competing facilities. Natural gas costs and the price of nitrogen fertilizer products have historically been subject to wide fluctuations. An expansion or upgrade of competitors' facilities, price volatility, international political and economic developments and other factors are likely to continue to play an important role in nitrogen fertilizer industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction in product margins. Moreover, the industry typically experiences seasonal fluctuations in demand for nitrogen fertilizer products. The demand for fertilizers is affected by the aggregate crop planting decisions and fertilizer application rate decisions of individual farmers. Individual farmers make planting decisions based largely on the prospective profitability of a harvest, while the specific varieties and

amounts of fertilizer they apply depend on factors like crop prices, their current liquidity, soil conditions, weather patterns and the types of crops planted.

The value of nitrogen fertilizer products is also an important consideration in understanding our results. The nitrogen fertilizer business generally upgrades approximately two-thirds of its ammonia production into UAN, a product that presently generates a greater value than ammonia. UAN production is a major contributor to our profitability. In order to assess the value of nitrogen fertilizer products, we calculate netbacks, also referred to as plant gate price. Netbacks refer to the unit price of fertilizer, in dollars per ton, offered on a delivered basis, excluding shipment costs.

The direct operating expense structure of the nitrogen fertilizer business is also important to its profitability. Using a pet coke gasification process, the nitrogen fertilizer business has significantly higher fixed costs than natural gas-based fertilizer plants. Major direct operating expenses include electrical energy, employee labor, maintenance, including contract labor, and outside services. These costs comprise the fixed costs associated with the fertilizer plant.

#### **Factors Affecting Comparability of Our Financial Results**

Our historical results of operations for the periods presented may not be comparable with prior periods or to our results of operations in the future for the reasons discussed below.

#### **2007 Flood and Crude Oil Discharge**

During the weekend of June 30, 2007, torrential rains in southeast Kansas caused the Verdigris River to overflow its banks and flood the town of Coffeyville, Kansas. Our refinery and the nitrogen fertilizer plant, which are located in close proximity to the Verdigris River, were severely flooded, sustained major damage and required extensive repairs. Total costs incurred and recorded as of September 30, 2007 related to the third party costs to repair the refinery and fertilizer facilities were approximately \$71.4 million and \$3.1 million, respectively. The total third party cost to repair the refinery is currently estimated at approximately \$86 million, and the total third party cost to repair the nitrogen fertilizer facility is currently estimated at approximately \$4 million.

As a result of the flooding, our refinery and nitrogen fertilizer facilities stopped operating on June 30, 2007. The refinery started operating its reformer on August 6, 2007 and began to charge crude oil to the facility on August 9, 2007. Substantially all of the refinery's units were in operation by August 20, 2007. The nitrogen fertilizer facility, situated on slightly higher ground, sustained less damage than the refinery. The nitrogen fertilizer facility initiated startup at its production facility on July 13, 2007.

In addition, despite our efforts to secure the refinery prior to its evacuation as a result of the flood, we estimate that 1,919 barrels (80,600 gallons) of crude oil and 226 barrels of crude oil fractions were discharged from our refinery into the Verdigris River flood waters beginning on or about July 1, 2007. We are currently remediating the contamination caused by the crude oil discharge. Total net costs recorded as of September 30, 2007 associated with remediation efforts and third party property damage incurred by the crude oil discharge are approximately \$18.1 million. This amount is net of anticipated insurance recoveries of \$21.4 million. Subsequent to September 30, 2007, we received \$10 million of insurance proceeds under our environmental insurance policy.

Our results for the nine months ended September 30, 2007 include pretax costs of \$34.3 million associated with the flood and related crude oil discharge. This amount is net of anticipated insurance recoveries of \$96.4 million. We anticipate that approximately \$15.5 million in third party costs related to the repair of the flood damaged property will be recorded in future periods.

The flood and crude oil discharge had a significant adverse impact on our third quarter financial results. We reported reduced revenue due to the closure of our facilities for a portion of the third quarter, as well as significant costs related to the flood as a result of the necessary repairs to our facilities and environmental remediation.

#### **Refinancing and Prior Indebtedness**

On December 28, 2006, we entered into a new credit facility and used the proceeds thereof to repay our then existing first lien credit facility and second lien credit facility, and to pay a dividend to the members of Coffeyville



Acquisition LLC. The credit facility provides financing of up to \$1.075 billion, consisting of \$775 million of tranche D term loans, a \$150 million revolving credit facility, and a funded letter of credit facility of \$150 million issued in support of the Cash Flow Swap. The credit facility is secured by substantially all of Coffeyville Resources, LLC's assets. As a result, interest expense related to the term debt outstanding of \$771.1 million for the nine months ended September 30, 2007 was significantly higher than interest expense on term debt outstanding of \$527.8 million at September 30, 2006. Consolidated interest expense for the nine months ended September 30, 2007 was \$46.0 million as compared to interest expense of \$33.0 million for the nine months ended September 30, 2006.

The flood and crude oil discharge had a significant negative effect on our liquidity in July/August 2007. As a result of this, in August 2007, our subsidiaries entered into a \$25 million secured facility, a \$25 million unsecured facility and a \$75 million unsecured facility. No amounts were drawn under the \$75 million unsecured facility. Our statement of operations for the nine months ended September 30, 2007 includes \$1.1 million in interest expense related to these facilities with no comparable amount for the same period in the prior year.

In October 2007, we paid down \$280 million of term debt with initial public offering proceeds. Additionally, we repaid the \$25 million secured facility and \$25 million unsecured facility in their entirety with a portion of the net proceeds from the initial public offering. Also, the \$75 million credit facility terminated upon consummation of the initial public offering.

#### **J. Aron Deferrals**

As a result of the flood and the temporary cessation of our operations on June 30, 2007, Coffeyville Resources, LLC entered into several deferral agreements with J. Aron & Company ("J. Aron") with respect to the Cash Flow Swap, which is a series of commodity derivative arrangements whereby if crack spreads fall below a fixed level, J. Aron agreed to pay the difference to us, and if crack spreads rise above a fixed level, we agreed to pay the difference to J. Aron. These deferral agreements deferred to January 31, 2008 the payment of approximately \$123.7 million (plus accrued interest) which we owed to J. Aron. J. Aron has agreed to further defer these payments to August 31, 2008 but we will be required to use 37.5% of our consolidated excess cash flow for any quarter after January 31, 2008 to prepay the deferred amounts.

#### **Change in Reporting Entity as a Result of the Initial Public Offering**

Prior to our initial public offering in October 2007, our operations were conducted by an operating partnership, Coffeyville Resources, LLC. The reporting entity of the organization was also a partnership. Immediately prior to the closing of our initial public offering, Coffeyville Resources, LLC became an indirect, wholly-owned subsidiary of CVR Energy, Inc. as a result of a series of steps. As a result, in the future, we will report our results of operations and financial condition as a corporation on a consolidated basis rather than as an operating partnership.

#### **Public Company Expenses**

We believe that our general and administrative expenses will increase due to the costs of operating as a public company, such as increases in legal, accounting and compliance, insurance premiums, and investor relations. We estimate that the increase in these costs will total approximately \$2.5 million to \$3.0 million on an annual basis, excluding the costs associated with the initial implementation of our Sarbanes-Oxley Section 404 internal controls review and testing. Our financial statements following the initial public offering will reflect the impact of these expenses and will affect the comparability with our financial statements of periods subsequent to the initial public offering.

#### **2007 Turnaround**

In April 2007, we completed a planned turnaround of our refining plant at a total cost approximating \$81 million. The majority of these costs were expensed in the first quarter of 2007. The refinery processed crude until February 11, 2007 at which time a staged shutdown of the refinery began. The refinery recommenced operations on March 22, 2007 and continually increased crude oil charge rates until all of the key units were restarted by April 23, 2007. The turnaround significantly impacted our financial results for 2007, but had very little impact on our 2006 results.

**Results of Operations**

The following tables summarize the financial data and key operating statistics for CVR and our two operating segments for the three and nine months ended September 30, 2006 and 2007. The summary financial data for our two operating segments does not include certain SG&A expenses and depreciation and amortization related to our corporate offices. The following data should be read in conjunction with our condensed consolidated financial statements and the notes thereto included elsewhere in this Form 10-Q. All information in "Management's Discussion and Analysis of Financial Condition and Results of Operations", except for the balance sheet data as of December 31, 2006, is unaudited.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
(In millions, except as otherwise indicated)				
<b>Consolidated Statement of Operations Data:</b>				
Net sales	\$ 778.6	\$ 586.0	\$ 2,329.2	\$ 1,819.9
Cost of product sold (exclusive of depreciation and amortization)	644.7	446.2	1,848.1	1,319.5
Direct operating expense (exclusive of depreciation and amortization)	56.7	44.4	144.5	218.8
Selling, general and administrative expense (exclusive of depreciation and amortization)	12.3	14.0	32.8	42.1
Net costs associated with flood(1)	—	32.2	—	34.3
Depreciation and amortization(2)(3)	12.8	10.5	36.8	42.7
Operating income	\$ 52.1	\$ 38.7	\$ 267.0	\$ 162.5
Other income (expense)	1.7	0.2	3.1	0.9
Interest (expense)	(10.7)	(18.3)	(33.0)	(46.0)
Gain (loss) on derivatives	171.2	40.5	44.7	(251.9)
Income (loss) before income taxes and minority interest in subsidiaries	\$ 214.3	\$ 61.1	\$ 281.8	\$ (134.5)
Income tax (expense) benefit	(85.3)	(47.6)	(111.0)	93.4
Minority interest in (income) loss of subsidiaries	—	(0.1)	—	0.2
Net income (loss)(4)	\$ 129.0	\$ 13.4	\$ 170.8	\$ (40.9)
Pro forma earnings per share, basic	\$ 1.50	\$ 0.16	\$ 1.98	\$ (0.47)
Pro forma earnings per share, diluted	\$ 1.50	\$ 0.16	\$ 1.98	\$ (0.47)
Pro forma weighted average shares, basic	86,141,291	86,141,291	86,141,291	86,141,291
Pro forma weighted average shares, diluted	86,158,791	86,158,791	86,158,791	86,141,291
<b>Balance Sheet Data:</b>				
Cash and cash equivalents			\$ 38.1	\$ 27.3
Working capital			173.4	(27.0)
Total assets			1,397.7	1,848.6
Total debt, including current portion			527.8	847.0
Minority interest in subsidiaries			—	5.2
Management units subject to compromise			9.0	8.7
Members' equity			303.1	34.5
Stockholders' equity			—	—
<b>Other Financial Data:</b>				
Depreciation and amortization(3)	\$ 12.8	\$ 10.5	\$ 36.8	\$ 42.7
Net Income (loss) adjusted for unrealized gain or loss from Cash Flow Swap(5)	21.7	(40.8)	122.5	18.2
Cash flows (used in) provided by operating activities	(22.4)	3.9	97.9	161.5
Cash flows (used in) investing activities	(86.8)	(25.6)	(173.0)	(239.7)
Cash flows provided by financing activities	19.4	26.0	48.5	63.6
Capital expenditures for property, plant and equipment	86.8	25.6	173.0	239.7

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
<b>Key Operating Statistics:</b>				
<b>Petroleum Business</b>				
Production (barrels per day)(6)	107,094	58,382	106,975	71,454
Crude oil throughput (barrels per day)(6)	94,019	52,497	94,061	64,829
<b>Nitrogen Fertilizer Business</b>				
Production Volume:				
Ammonia (tons in thousands)	78.3	75.9	283.9	244.9
UAN (tons in thousands)	136.7	128.0	465.0	432.6

- (1) Represents the write-off of approximate net costs associated with the flood and oil spill that are not probable of recovery.
- (2) Depreciation and amortization is comprised of the following components as excluded from cost of products sold, direct operating expense and selling, general and administrative expense:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
		(Unaudited)		
		(In millions)		
Depreciation and amortization included in cost of product sold	\$ 0.5	\$ 0.6	\$ 1.6	\$ 1.8
Depreciation and amortization included in direct operating expense	11.7	9.6	34.5	40.2
Depreciation and amortization included in selling, general and administrative expense	0.6	0.3	0.7	0.7
Total depreciation and amortization	\$ 12.8	\$ 10.5	\$ 36.8	\$ 42.7

- (3) Depreciation and amortization does not include approximately \$7.6 million for both the three and nine months ended September 30, 2007 which is included in net costs associated with flood due to the facilities being temporarily idled.
- (4) The following are certain charges and costs incurred in each of the relevant periods that are meaningful to understanding our net income (loss) and in evaluating our performance due to their unusual or infrequent nature:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
		(Unaudited)		
		(In millions)		
Funded letter of credit expense and interest rate swap not included in interest expense(a)	\$ (0.4)	\$ 0.7	\$ 0.2	\$ 0.9
Major scheduled turnaround expense(b)	4.1	—	4.4	76.8
Unrealized (gain) loss from Cash Flow Swap	(178.5)	(90.2)	(80.3)	98.3

- (a) Consists of fees which are expensed to selling, general and administrative expense in connection with the funded letter of credit facility of \$150.0 million issued in support of the Cash Flow Swap. We consider these fees to be equivalent to interest expense and the fees are treated as such in the calculation of EBITDA in the Credit Facility.
- (b) Represents expenses associated with a major scheduled turnaround at the nitrogen fertilizer plant and our refinery.

- (5) Net income adjusted for unrealized gain or loss from Cash Flow Swap results from adjusting for the derivative transaction that was executed in conjunction with the acquisition of Coffeyville Group Holdings, LLC by Coffeyville Acquisition LLC on June 24, 2005. On June 16, 2005, Coffeyville Acquisition LLC entered into the Cash Flow Swap with J. Aron, a subsidiary of The Goldman Sachs Group, Inc., and a related party of ours. The Cash Flow Swap was subsequently assigned from Coffeyville Acquisition LLC to Coffeyville Resources, LLC on June 24, 2005. The derivative took the form of three NYMEX swap agreements whereby if crack spreads fall below the fixed level, J. Aron agreed to pay the difference to us, and if crack spreads rise above the fixed level, we agreed to pay the difference to J. Aron. With crude oil capacity expected to reach 115,000 bpd by the end of 2007, the Cash Flow Swap represents approximately 58% and 14% of crude oil capacity for the periods January 1, 2008 through June 30, 2009 and July 1, 2009 through June 30, 2010, respectively. Under the terms of our Credit Facility and upon meeting specific requirements related to our leverage ratio and our credit ratings, we may reduce the Cash Flow Swap to 35,000 bpd, or approximately 30% of executed crude oil capacity, for the period from April 1, 2008 through December 31, 2008 and terminate the Cash Flow Swap in 2009 and 2010.

We have determined that the Cash Flow Swap does not qualify as a hedge for hedge accounting purposes under current GAAP. As a result, our periodic statements of operations reflect in each period material amounts of unrealized gains and losses based on the increases or decreases in market value of the unsettled position under the swap agreements which is accounted for as a liability on our balance sheet. As the crack spreads increase we are required to record an increase in this liability account with a corresponding expense entry to be made to our statement of operations. Conversely, as crack spreads decline we are required to record a decrease in the swap related liability and post a corresponding income entry to our statement of operations. Because of this inverse relationship between the economic outlook for our underlying business (as represented by crack spread levels) and the income impact of the unrecognized gains and losses, and given the significant periodic fluctuations in the amounts of unrealized gains and losses, management utilizes Net income adjusted for unrealized gain or loss from Cash Flow Swap as a key indicator of our business performance. In managing our business and assessing its growth and profitability from a strategic and financial planning perspective, management and our board of directors considers our U.S. GAAP net income results as well as Net income adjusted for unrealized gain or loss from Cash Flow Swap. We believe that Net income adjusted for unrealized gain or loss from Cash Flow Swap enhances the understanding of our results of operations by highlighting income attributable to our ongoing operating performance exclusive of charges and income resulting from mark to market adjustments that are not necessarily indicative of the performance of our underlying business and our industry. The adjustment has been made for the unrealized loss from Cash Flow Swap net of its related tax benefit.

Net income adjusted for unrealized gain or loss from Cash Flow Swap is not a recognized term under GAAP and should not be substituted for net income as a measure of our performance but instead should be utilized as a supplemental measure of financial performance or liquidity in evaluating our business. Because Net income adjusted for unrealized gain or loss from Cash Flow Swap excludes mark to market adjustments, the measure does not reflect the fair market value of our Cash Flow Swap in our net income. As a result, the measure does not include potential cash payments that may be required to be made on the Cash Flow Swap in the future. Also, our presentation of this non-GAAP measure may not be comparable to similarly titled measures of other companies.

The following is a reconciliation of Net income (loss) adjusted for unrealized gain or loss from Cash Flow Swap to Net income:

	Three Months		Nine Months	
	Ended September 30, 2006	2007	Ended September 30, 2006	2007
Net income (loss) adjusted for unrealized gain or loss from Cash Flow Swap	\$ 21.7	\$ (40.8)	\$ 122.5	\$ 18.2
Plus:				
Unrealized gain (loss) from Cash Flow Swap, net of taxes	107.3	54.2	48.3	(59.1)
Net income (loss)	\$ 129.0	\$ 13.4	\$ 170.8	\$ (40.9)

(6) Barrels per day is calculated by dividing the volume in the period by the number of calendar days in the period. Barrels per day as shown here is impacted by plant down-time and other plant disruptions and does not represent the capacity of the facility's continuous operations.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
	(Unaudited)			
	(In millions, except as otherwise indicated)			
<b>Petroleum Business:</b>				
Net sales	\$ 747.3	\$ 545.9	\$ 2,205.0	\$ 1,707.3
Cost of product sold (exclusive of depreciation and amortization)	637.5	443.1	1,828.1	1,312.2
Direct operating expense (exclusive of depreciation and amortization)	38.2	29.5	97.3	170.7
Net costs associated with flood	—	28.6	—	30.6
Depreciation and amortization	7.9	6.6	23.6	29.7
Gross profit	\$ 63.7	\$ 38.1	\$ 256.0	\$ 164.1
Plus direct operating expense (exclusive of depreciation and amortization)	38.2	29.5	97.3	170.7
Plus Net costs associated with flood	—	28.6	—	30.6
Plus depreciation and amortization	7.9	6.6	23.6	29.7
Refining margin(1)	\$ 109.8	\$ 102.8	\$ 376.9	\$ 395.1
Refining margin per crude oil throughput barrel	\$ 12.69	\$ 21.28	\$ 14.68	\$ 22.32
Gross profit per crude oil throughput barrel	\$ 7.36	\$ 7.89	\$ 9.97	\$ 9.27
Direct operating expense (exclusive of depreciation and amortization) per crude oil throughput barrel	\$ 4.42	\$ 6.11	\$ 3.79	\$ 9.64
Operating income (loss)	55.5	26.5	233.5	129.4

(1) Refining margin is a measurement calculated as the difference between net sales and cost of products sold (exclusive of depreciation and amortization). Refining margin is a non-GAAP measure that we believe is important to investors in evaluating our refinery's performance as a general indication of the amount above our cost of products sold that we are able to sell refined products. Each of the components used in this calculation (net sales and cost of products sold exclusive of depreciation and amortization) can be taken directly from our statement of operations. Our calculation of refining margin may differ from similar calculations of other companies in our industry, thereby limiting its usefulness as a comparative measure.

Market Indicators	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
	(Dollars per barrel)			
West Texas Intermediate (WTI) crude oil	\$ 70.54	\$ 75.15	\$ 68.26	\$ 66.19
NYMEX 2-1-1 Crack Spread	10.85	12.12	11.63	15.45
Crude Oil Differentials:				
WTI less WTS (sour)	4.54	5.30	5.43	4.69
WTI less Maya (heavy sour)	14.89	12.34	15.55	11.56
WTI less Dated Brent (foreign)	0.99	0.52	1.33	0.89
PADD II Group 3 versus NYMEX Basis:				
Gasoline	4.00	8.93	1.82	4.74
Heating Oil	12.49	9.97	7.90	9.54

Company Operating Statistics	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
	(Dollars per barrel)			
Per barrel profit, margin and expense of crude oil throughput:				
Refining margin	12.69	21.28	14.68	22.32
Gross profit	7.36	7.89	9.97	9.27
Direct operating expense (exclusive of depreciation and amortization)	4.42	6.11	3.79	9.64
Per gallon sales price:				
Gasoline	2.11	2.28	1.99	2.14
Distillate	2.20	2.35	2.04	2.12

Selected Company Volumetric Data	Three Months Ended September 30,				Nine Months Ended September 30,			
	2006		2007		2006		2007	
	Barrels Per Day	%	Barrels Per Day	%	Barrels Per Day	%	Barrels Per Day	%
Production:								
Total gasoline	41,980	39.2	25,971	44.4	46,137	43.1	29,949	41.9
Total distillate	39,682	37.1	23,448	40.2	41,401	38.7	29,511	41.3
Total other	25,432	23.7	8,963	15.4	19,437	18.2	11,994	16.8
Total all production	107,094	100.0	58,382	100.0	106,975	100.0	71,454	100.0
Crude oil throughput	94,019	92.3	52,497	93.9	94,061	92.6	64,829	94.7
All other inputs	7,831	7.7	3,403	6.1	7,463	7.4	3,643	5.3
Total feedstocks	101,850	100.0	55,900	100.0	101,524	100.0	68,472	100.0

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2006		2007		2006		2007	
	Total Barrels	%	Total Barrels	%	Total Barrels	%	Total Barrels	%
Crude oil throughput by crude type:								
Sweet	5,466,637	63.2	2,835,032	58.7	12,916,402	50.3	11,203,099	63.3
Light/medium sour	3,105,258	35.9	1,168,786	24.2	12,685,293	49.4	5,256,430	29.7
Heavy sour	77,848	0.9	825,878	17.1	77,036	0.3	1,238,889	7.0
Total crude oil throughput	8,649,743	100.0	4,829,696	100.0	25,678,731	100.0	17,698,418	100.0

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
	(Unaudited)			
(In millions, except as otherwise indicated)				
<b>Nitrogen Fertilizer Business:</b>				
Net sales	\$ 32.5	\$ 40.8	\$ 128.2	\$ 115.1
Cost of product sold (exclusive of depreciation and amortization)	8.3	3.7	23.8	9.9
Direct operating expense (exclusive of depreciation and amortization)	18.5	14.9	47.2	48.1
Net costs associated with flood	—	1.9	—	2.0
Depreciation and amortization	4.3	3.6	12.7	12.4
Operating income (loss)	(3.0)	13.8	34.1	34.9

Market Indicators	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
	Natural gas (dollars per million BTU)	\$ 6.18	\$ 6.24	\$ 6.89
Ammonia — southern plains (dollars per ton)	311	390	362	393
UAN — com belt (dollars per ton)	183	298	199	277

Company Operating Statistics	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
<b>Production (thousand tons):</b>				
Ammonia	78.3	75.9	283.9	244.9
UAN	136.7	128.0	465.0	432.6
Total	215.0	203.9	748.9	677.5
<b>Sales (thousand tons)(1):</b>				
Ammonia	30.6	24.7	96.8	58.8
UAN	138.4	120.6	477.7	414.2
Total	169.0	145.3	574.5	473.0
<b>Product pricing (plant gate) (dollars per ton)(1):</b>				
Ammonia	\$ 283	\$ 363	\$ 346	\$ 358
UAN	141	234	169	203
<b>On-stream factor(2):</b>				
Gasification	80.7%	81.3%	91.7%	87.4%
Ammonia	74.2%	80.4%	87.8%	84.6%
UAN	76.2%	71.8%	87.9%	78.5%
<b>Reconciliation to net sales (dollars in thousands):</b>				
Freight in revenue	\$ 4,420	\$ 3,581	\$ 13,860	\$ 10,011
Sales net plant gate	28,103	37,175	114,295	105,080
Total net sales	32,523	40,756	128,155	115,091

(1) Plant gate sales per ton represents net sales less freight revenue divided by sales tons. Plant gate pricing per ton is shown in order to provide industry comparability.

(2) On-stream factor is the total number of hours operated divided by the total number of hours in the reporting period.

**Three Months Ended September 30, 2007 Compared to the Three Months Ended September 30, 2006**

*Consolidated*

**Net Sales.** Consolidated net sales were \$586.0 million for the three months ended September 30, 2007 compared to \$778.6 million for the three months ended September 30, 2006. The decrease of \$192.6 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily due to a decrease in petroleum net sales of \$201.4 million that resulted from lower sales volumes (\$301.5 million), partially offset by higher product prices (\$100.1 million). Nitrogen fertilizer net sales increased \$8.3 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 due to higher plant gate prices (\$15.2 million), offset by lower sales volumes (\$6.9 million).

**Cost of Product Sold Exclusive of Depreciation and Amortization.** Consolidated cost of product sold exclusive of depreciation and amortization was \$446.2 million for the three months ended September 30, 2007 as compared to \$644.6 million for the three months ended September 30, 2006. The decrease of \$198.4 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 primarily resulted from a significant reduction in refined fuel production volumes over the comparable periods due to refinery downtime resulting from the flood.

**Direct Operating Expenses Exclusive of Depreciation and Amortization.** Consolidated direct operating expenses exclusive of depreciation and amortization were \$44.4 million for the three months ended September 30, 2007 as compared to \$56.7 million for the three months ended September 30, 2006. This decrease of \$12.3 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was due



to a decrease in petroleum direct operating expenses of \$8.7 million, primarily related to decreases in expenses associated with labor, utilities and energy due to the refinery not operating because of the flood and the refinery turnaround, and a decrease in nitrogen fertilizer direct operating expenses of \$3.6 million, primarily because of the turnaround expenses incurred in the 2006 period.

*Selling, General and Administrative Expenses Exclusive of Depreciation and Amortization.* Consolidated selling, general and administrative expenses were \$14.0 million for the three months ended September 30, 2007 as compared to \$12.3 million for the three months ended September 30, 2006. This variance was primarily the result of increases in administrative labor related to deferred compensation (\$3.7 million) and bank charges (\$0.6 million) partially offset by reductions in expenses associated with asset retirements (\$1.1 million), outside services (\$0.9 million), public relations (\$0.5 million) and office costs (\$0.2 million).

*Net Costs Associated with Flood.* Consolidated net costs associated with flood for the three months ended September 30, 2007 approximated \$32.2 million as compared to none for the three months ended September 30, 2006. Total gross costs recorded for the three months ended September 30, 2007 were approximately \$128.6 million. Of these gross costs, approximately \$89.1 million were associated with repair and other matters as a result of the damage to the Company's facilities. Included in this cost was \$7.6 million of depreciation for the temporarily idled facilities, \$5.9 million for internal salaries, \$2.9 million of professional fees and \$72.7 million for other repair and related costs. There were approximately \$39.5 million costs recorded with respect to the environmental remediation and property damage. Total accounts receivable from insurers approximated \$96.4 million at September 30, 2007, for which we believe collection is probable.

*Depreciation and Amortization.* Consolidated depreciation and amortization was \$10.5 million for the three months ended September 30, 2007 as compared to \$12.8 million for the three months ended September 30, 2006. During the restoration period for both the refinery and the nitrogen fertilizer operations due to the flood, \$7.6 million of depreciation and amortization was reclassified into net costs associated with flood. Adjusting for this reclassification, consolidated depreciation and amortization would have increased by approximately \$5.3 million for the three months ended September 30, 2007 compared to the three months ended September 30, 2006, primarily as a result of the assets placed into service during the fourth quarter of 2006 and in 2007 resulting from the significant capital projects we have most recently completed.

*Operating Income.* Consolidated operating income was \$38.7 million for the three months ended September 30, 2007 as compared to operating income of \$52.1 million for the three months ended September 30, 2006. For the three months ended September 30, 2007 as compared to the three months ended September 30, 2006, petroleum operating income decreased \$29.0 million and nitrogen fertilizer operating income increased by \$16.8 million.

*Interest Expense.* Consolidated interest expense for the three months ended September 30, 2007 was \$18.3 million as compared to interest expense of \$10.7 million for the three months ended September 30, 2006. This 71% increase for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 primarily resulted from an overall increase in the index rates (primarily LIBOR) and an increase in average borrowings outstanding during the comparable periods. Consolidated interest expense over the comparable periods was partially offset by decreases in the applicable margins under our Credit Facility dated December 28, 2006 as compared to the borrowing facility in effect during the nine months ended September 30, 2006.

*Interest Income.* Interest income was \$0.2 million for the three months ended September 30, 2007 as compared to \$1.1 million for the three months ended September 30, 2006.

*Gain (loss) on Derivatives.* We have determined that the Cash Flow Swap and our other derivative instruments do not qualify as hedges for hedge accounting purposes under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. For the three months ended September 30, 2007, we incurred \$40.5 million in gains on derivatives. This compares to a \$171.2 million gain on derivatives for the three months ended September 30, 2006. This significant decrease in gains on derivatives for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily attributable to the realized and unrealized gains (losses) on our Cash Flow Swap. Realized losses on the Cash Flow Swap for the three months ended September 30, 2007 and the three months ended September 30, 2006 were \$45.4 million and \$12.7 million,

respectively. The increase in realized losses over the comparable periods was primarily the result of higher average crack spreads for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006. Unrealized gains or losses represent the change in the mark-to-market value on the unrealized portion of the Cash Flow Swap based on changes in the NYMEX crack spread that is the basis for the Cash Flow Swap. Unrealized gains on our Cash Flow Swap for the three months ended September 30, 2007 and the three months ended September 30, 2006 were \$90.2 million and \$178.5 million, respectively. These gains reflect decreases in the crack spread values on the unrealized positions comprising the Cash Flow Swap. In addition to the change in the NYMEX crack spread, the outstanding term of the Cash Flow Swap at the end of each period also affects the impact of changes in the underlying crack spread. As of September 30, 2007, the Cash Flow Swap had a remaining term of approximately two years and nine months whereas as of September 30, 2006, the remaining term on the Cash Flow Swap was approximately three years and nine months. As a result of the longer remaining term as of September 30, 2006, a similar change in crack spread will have a greater impact on the unrealized gains or losses.

*Provision for Income Taxes.* Income tax expense for the three months ended September 30, 2007 was \$47.6 million, or 78% of income before income taxes, as compared to income tax expense of \$85.3 million, or 40% of earnings before income taxes, for the three months ended September 30, 2006. The annualized effective rate for 2007, which was applied to loss before income taxes for the three month period ended September 30, 2007, is higher than the comparable annualized effective tax rate for 2006, which was applied to earnings before income taxes for the three months ended September 30, 2006, primarily due to the correlation between the amount of credits which are projected to be generated in 2007 from the production of ultra low sulfur diesel fuel and the reduced level of projected earnings before income taxes for 2007.

*Minority Interest in (income) loss of Subsidiaries.* Minority interest in income of subsidiaries for the three months ended September 30, 2007 was \$0.1 million. Minority interest relates to common stock in two of our subsidiaries owned by our chief executive officer. In October 2007, in connection with our initial public offering, our chief executive officer exchanged his common stock in our subsidiaries for common stock of CVR Energy.

*Net Income.* For the three months ended September 30, 2007, net income decreased to net income of \$13.4 million as compared to net income of \$129.0 million for the three months ended September 30, 2006. Net income decreased \$115.6 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006, primarily due to downtime and costs associated with the flood and a significant change in the value of the Cash Flow Swap over the comparable periods.

#### *Petroleum*

*Net Sales.* Petroleum net sales were \$545.9 million for the three months ended September 30, 2007 compared to \$747.3 million for the three months ended September 30, 2006. The decrease of \$201.4 million from the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of significantly lower sales volumes (\$301.5 million), partially offset by higher product prices (\$100.1 million). Overall sales volumes of refined fuels for the three months ended September 30, 2007 decreased 39% as compared to the three months ended September 30, 2006. The decreased sales volume primarily resulted from a significant reduction in refined fuel production volumes over the comparable periods due to refinery downtime resulting from the flood. Our average sales price per gallon for the three months ended September 30, 2007 for gasoline of \$2.28 and distillate of \$2.35 increased by 8% and 7%, respectively, as compared to the three months ended September 30, 2006.

*Cost of Product Sold Exclusive of Depreciation and Amortization.* Cost of product sold includes cost of crude oil, other feedstocks and blendstocks, purchased products for resale, transportation and distribution costs. Petroleum cost of product sold exclusive of depreciation and amortization was \$443.1 million for the three months ended September 30, 2007 compared to \$637.5 million for the three months ended September 30, 2006. The decrease of \$194.4 million from the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of a significant reduction in crude throughput due to downtime resulting from the flood. In addition to the flood, higher crude oil prices, reduced sales volumes and the impact of FIFO accounting also impacted cost of product sold during the comparable periods. Our average cost per barrel of crude oil for the three months ended September 30, 2007 was \$70.93, compared to \$68.06 for the comparable period.

of 2006, an increase of 4%. Sales volume of refined fuels decreased 39% for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 principally due to the downtime associated with the flood. In addition, under our FIFO accounting method, changes in crude oil prices can cause fluctuations in the inventory valuation of our crude oil, work in process and finished goods, thereby resulting in FIFO inventory gains when crude oil prices increase and FIFO inventory losses when crude oil prices decrease. For the three months ended September 30, 2007, we had FIFO inventory gains of \$18.7 million compared to FIFO inventory losses of \$7.1 million for the comparable period of 2006.

Refining margin per barrel of crude throughput increased from \$12.69 for the three months ended September 30, 2006 to \$21.28 for the three months ended September 30, 2007 primarily due to the 12% increase (\$1.27 per barrel) in the average NYMEX 2-1-1 crack spread over the comparable periods and positive regional differences between gasoline prices in our primary marketing region (the Coffeyville supply area) and those of the NYMEX. The average gasoline basis for the three months ended September 30, 2007 increased by \$4.93 per barrel to \$8.93 per barrel compared to \$4.00 per barrel in the comparable period of 2006. The positive basis for gasoline during the comparable periods was partially offset by a decrease in the average distillate basis for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006. The average distillate basis decreased by \$2.52 per barrel to \$9.97 per barrel compared to \$12.49 per barrel in the comparable period of 2006. The positive effect of the increased NYMEX 2-1-1 crack spreads and overall refined fuels basis over the comparable periods was further enhanced by an increase in crude oil differential over the comparable periods. Increased discounts for sour crude oils evidenced by the \$0.76 per barrel, or 17%, increase in the spread between the WTI price, which is a market indicator for the price of light sweet crude, and the WTS price, which is an indicator for the price of sour crude, positively impacted refining margin for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006.

*Direct Operating Expenses Exclusive of Depreciation and Amortization.* Direct operating expenses for our Petroleum operations include costs associated with the actual operations of our refinery, such as energy and utility costs, catalyst and chemical costs, repairs and maintenance (turnaround), labor and environmental compliance costs. Petroleum direct operating expenses exclusive of depreciation and amortization were \$29.5 million for the three months ended September 30, 2007 compared to direct operating expenses of \$38.2 million for the three months ended September 30, 2006. The decrease of \$8.7 million for the three months ended September 30, 2007 compared to the three months ended September 30, 2006 was the result of decreases in expenses associated with direct labor (\$3.2 million), utilities and energy (\$2.7 million), refinery turnaround (\$1.8 million), rent and lease (\$1.7 million), operating materials (\$1.4 million), environmental (\$0.7 million), repairs and maintenance (\$0.7 million), production chemicals (\$0.2 million) and outside services (\$0.1 million). These decreases in direct operating expenses were partially offset by increases in expenses associated with property taxes (\$3.3 million) and insurance (\$0.6 million). On a per barrel of crude throughput basis, direct operating expenses per barrel of crude throughput for the three months ended September 30, 2007 increased to \$6.11 per barrel as compared to \$4.42 per barrel for the three months ended September 30, 2006 principally due to downtime at the refinery due to the flood and the corresponding impact on overall crude oil throughput and production volume.

*Net Costs Associated with Flood.* Petroleum net costs associated with flood for the three months ended September 30, 2007 approximated \$28.6 million as compared to none for the three months ended September 30, 2006. Total gross costs recorded for the three months ended September 30, 2007 were approximately \$121.3 million. Of these gross costs approximately \$81.8 million were associated with repair and other matters as a result of the damage to the refinery. Included in this cost was approximately \$6.8 million recorded for depreciation for the temporarily idle facilities, \$4.6 million for internal salaries, \$1.8 million of professional fees and \$68.6 million for other repair and related costs. There were approximately \$39.5 million recorded with respect to the environmental remediation and property damage. Total accounts receivable from insurers approximated \$92.7 million at September 30, 2007, for which we believe collection is probable.

*Depreciation and Amortization.* Petroleum depreciation and amortization was \$6.6 million for the three months ended September 30, 2007 as compared \$7.9 million for the three months ended September 30, 2006. During the restoration period for the refinery due to the flood, \$6.8 million of depreciation and amortization was reclassified into net costs associated with flood. Adjusting for this \$6.8 million reclassification, the increase in petroleum depreciation and amortization for the three months ended September 30, 2007 compared to the three

months ended September 30, 2006 would have been approximately \$5.5 million. This adjusted increase in petroleum depreciation and amortization for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of the completion of the several large capital projects in late 2006 and during the nine months ended September 30, 2007.

*Operating Income.* Petroleum operating income was \$26.5 million for the three months ended September 30, 2007 as compared to operating income of \$55.5 million for the three months ended September 30, 2006. This decrease of \$29.0 million from the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of the refinery downtime resulting from the flood and the \$28.6 million increase in net costs associated with the flood. Substantially all of the refinery's units damaged by the flood were back in operation by August 20, 2007. Offsetting the negative impacts of the flood was an \$8.7 million reduction in direct operating expenses for the three months ended September 30, 2007 compared to the three months ended September 30, 2006. This reduction was the result of decreases in expenses associated with direct labor (\$3.2 million), utilities and energy (\$2.7 million), refinery turnaround (\$1.8 million), rent and lease (\$1.7 million), operating materials (\$1.4 million), environmental (\$0.7 million), repairs and maintenance (\$0.7 million), production chemicals (\$0.2 million) and outside services (\$0.1 million). These decreases in direct operating expenses were partially offset by increases in expenses associated with taxes (\$3.3 million) and insurance (\$0.6 million).

#### *Fertilizer*

*Net Sales.* Nitrogen fertilizer net sales were \$40.8 million for the three months ended September 30, 2007 compared to \$32.5 million for the three months ended September 30, 2006. The increase of \$8.3 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was the result of higher plant gate prices (\$15.2 million), offset by reductions in overall sales volume (\$6.9 million).

In regard to product sales volumes for the three months ended September 30, 2007, our nitrogen operations experienced a decrease of 19% in ammonia sales unit volumes (5,918 tons) and a decrease of 13% in UAN sales unit volumes (17,835 tons). The decrease in ammonia sales volume was the result of decreased production volumes during the three months ended September 30, 2007 relative to the comparable period of 2006 due to the transfer of hydrogen to our Petroleum operations to facilitate sulfur recovery in the ultra low sulfur diesel production unit. The transfer of hydrogen to our Petroleum operations is scheduled to be replaced with hydrogen produced by the new continuous catalytic reformer scheduled to be completed in late 2007 to early 2008. On-stream factors (total number of hours operated divided by total hours in the reporting period) for the gasification and ammonia units were greater than the three months ended September 30, 2006. On-stream factors for the UAN plant were lower than the three month period ended September 30, 2006. During the three months ended September 30, 2007, all three primary nitrogen fertilizer units experienced eighteen days of downtime associated with the flood. In addition, the UAN plant also experienced unscheduled downtime for repairs and maintenance. On-stream factors for the three months ended September 30, 2006 were negatively impacted by a major scheduled turnaround at the nitrogen fertilizer plant and unscheduled downtime associated with repairs and maintenance to the ammonia plant. It is typical to experience brief outages in complex manufacturing operations such as our nitrogen fertilizer plant which result in less than one hundred percent on-stream availability for one or more specific units.

Plant gate prices are prices FOB the delivery point less any freight cost we absorb to deliver the product. We believe plant gate price is meaningful because we sell products both FOB our plant gate (sold plant) and FOB the customer's designated delivery site (sold delivered) and the percentage of sold plant versus sold delivered can change month to month or three months to three months. The plant gate price provides a measure that is consistently comparable period to period. Plant gate prices for the three months ended September 30, 2007 for ammonia and UAN were greater than plant gate prices for the comparable period of 2006 by 28% and 66%, respectively. This dramatic increase in nitrogen fertilizer prices was not the result of an increase in natural gas prices, but rather the result of increased demand for nitrogen-based fertilizers due to the increased use of corn for the production of ethanol and an overall increase in prices for corn, wheat and soybeans, the primary row crops in our region. This increase in demand for nitrogen-based fertilizer has created an environment in which nitrogen fertilizer prices have disconnected from their traditional correlation to natural gas prices.

The demand for fertilizer is affected by the aggregate crop planting decisions and fertilizer application rate decisions of individual farmers. Individual farmers make planting decisions based largely on the prospective profitability of a harvest, while the specific varieties and amounts of fertilizer they apply depend on factors like crop prices, their current liquidity, soil conditions, weather patterns and the types of crops planted.

*Cost of Product Sold Exclusive of Depreciation and Amortization.* Cost of product sold exclusive of depreciation and amortization is primarily comprised of petroleum coke expense, hydrogen reimbursement and freight and distribution expenses. Cost of product sold excluding depreciation and amortization for the three months ended September 30, 2007 was \$3.7 million compared to \$8.3 million for the three months ended September 30, 2006. The decrease of \$4.6 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of increased hydrogen reimbursement due to the transfer of hydrogen to our Petroleum operations to facilitate sulfur recovery in the ultra low sulfur diesel production unit and reduced freight expense partially offset by an increase in petroleum coke costs.

*Direct Operating Expenses Exclusive of Depreciation and Amortization.* Direct operating expenses for our Nitrogen fertilizer operations include costs associated with the actual operations of our nitrogen plant, such as repairs and maintenance, energy and utility costs, catalyst and chemical costs, outside services, labor and environmental compliance costs. Nitrogen direct operating expenses exclusive of depreciation and amortization for the three months ended September 30, 2007 were \$14.9 million as compared to \$18.5 million for the three months ended September 30, 2006. The decrease of \$3.6 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of decreases in expenses associated with turnaround (\$2.3 million), outside services (\$0.6 million), royalties and other (\$0.5 million), utilities (\$0.2 million), labor (\$0.1 million) and chemicals (\$0.1 million). These decreases in direct operating expenses were partially offset by increases in expenses associated with repairs and maintenance (\$0.4 million).

*Net Costs Associated with Flood.* Nitrogen fertilizer net costs associated with flood for the three months ended September 30, 2007 approximated \$1.9 million as compared to none for the three months ended September 30, 2006. Total gross costs recorded as a result of the damage to the fertilizer plant for the three months ended September 30, 2007 were approximately \$5.1 million. Included in this cost was approximately \$0.8 million recorded for depreciation for the temporarily idle facilities, \$0.7 million for internal salaries and \$3.6 million for other repair and related costs. Total accounts receivable from insurers approximated \$3.2 million at September 30, 2007, for which we believe collection is probable.

*Depreciation and Amortization.* Nitrogen fertilizer depreciation and amortization decreased to \$3.6 million for the three months ended September 30, 2007 as compared to \$4.3 million for the three months ended September 30, 2006. During the restoration period for the nitrogen fertilizer operations due to the flood, \$0.8 million of depreciation and amortization was reclassified into net costs associated with flood. Adjusting for this \$0.8 million reclassification, nitrogen fertilizer depreciation and amortization would have increased by approximately \$0.1 million for the three months ended September 30, 2007 compared to the three months ended September 30, 2006.

*Operating Income.* Nitrogen fertilizer operating income was \$13.8 million for the three months ended September 30, 2007 as compared to an operating loss of \$3.0 million for the three months ended September 30, 2006. This increase of \$16.8 million for the three months ended September 30, 2007 as compared to the three months ended September 30, 2006 was primarily the result of increased fertilizer prices over the comparable periods and a \$4.6 million reduction in cost of product sold excluding depreciation and amortization due to increased hydrogen reimbursement and reduced freight expense partially offset by an increase in petroleum coke costs. Additionally, decreased direct operating expenses associated with turnaround (\$2.3 million), outside services (\$0.6 million), royalties and other (\$0.5 million), utilities (\$0.2 million), labor (\$0.1 million) and chemicals (\$0.1 million) also contributed to the positive operating income comparison over the comparable periods. These decreases in expenses were partially offset by reduced sales volumes and increased direct operating expenses primarily the result of increases in repairs and maintenance (\$0.4 million).

**Nine Months Ended September 30, 2007 Compared to the Nine Months Ended September 30, 2006.**

*Consolidated*

*Net Sales.* Consolidated net sales were \$1,819.9 million for the nine months ended September 30, 2007 compared to \$2,329.2 million for the nine months ended September 30, 2006. The decrease of \$509.3 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily due to a decrease in petroleum net sales of \$497.7 million that resulted from lower sales volumes (\$656.8 million), partially offset by higher product prices (\$159.1 million). Nitrogen fertilizer net sales decreased \$13.1 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 due to lower sales volumes (\$28.6 million), partially offset by higher plant gate prices (\$15.5 million).

*Cost of Product Sold Exclusive of Depreciation and Amortization.* Consolidated cost of product sold exclusive of depreciation and amortization was \$1,319.5 million for the nine months ended September 30, 2007 as compared to \$1,848.1 million for the nine months ended September 30, 2006. The decrease of \$528.6 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 primarily resulted from a significant reduction in refined fuel production volumes over the comparable periods due to the refinery turnaround which began in February 2007 and was completed in April 2007 and the refinery downtime resulting from the flood.

*Direct Operating Expenses Exclusive of Depreciation and Amortization.* Consolidated direct operating expenses exclusive of depreciation and amortization were \$218.8 million for the nine months ended September 30, 2007 as compared to \$144.5 million for the nine months ended September 30, 2006. This increase of \$74.3 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was due to an increase in petroleum direct operating expenses of \$73.4 million, primarily related to the refinery turnaround, and an increase in nitrogen fertilizer direct operating expenses of \$0.9 million.

*Selling, General and Administrative Expenses Exclusive of Depreciation and Amortization.* Consolidated selling, general and administrative expenses exclusive of depreciation and amortization were \$42.1 million for the nine months ended September 30, 2007 as compared to \$32.8 million for the nine months ended September 30, 2006. This variance was primarily the result of increases in administrative labor primarily related to deferred compensation (\$9.2 million), other costs (\$0.7 million), bank charges (\$0.6 million) and office costs (\$0.3 million) partially offset by reductions in expenses associated with asset retirements (\$1.1 million).

*Net Costs Associated with Flood.* Consolidated net costs associated with flood for the nine months ended September 30, 2007 approximated \$34.3 million as compared to none for the nine months ended September 30, 2006. Total gross costs recorded for the nine months ended September 30, 2007 were approximately \$130.7 million. Of these gross costs, approximately \$91.2 million were associated with repair and other matters as a result of the damage to the Company's facilities. Included in this cost was \$7.6 million of depreciation for the temporarily idled facilities, \$5.9 million for internal salaries, \$2.9 million of professional fees and \$74.8 million for other repair and related costs. There were approximately \$39.5 million costs recorded with respect to the environmental remediation and property damage. Total accounts receivable from insurers approximated \$96.4 million at September 30, 2007, for which we believe collection is probable.

*Depreciation and Amortization.* Consolidated depreciation and amortization was \$42.7 million for the nine months ended September 30, 2007 as compared to \$36.8 million for the nine months ended September 30, 2006. During the restoration period for the refinery and our nitrogen fertilizer operations due to the flood, \$7.6 million of depreciation and amortization was reclassified into net costs associated with flood. Adjusting for this \$7.6 million reclassification, the increase in consolidated depreciation and amortization for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 would have been approximately \$13.5 million. This adjusted increase in consolidated depreciation and amortization for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of the completion of the several large capital projects in late 2006 and during the nine months ended September 30, 2007 in our Petroleum business.

*Operating Income.* Consolidated operating income was \$162.5 million for the nine months ended September 30, 2007 as compared to operating income of \$267.0 million for the nine months ended September 30, 2006. For

the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006, petroleum operating income decreased \$104.1 million and nitrogen fertilizer operating income increased by \$0.8 million.

*Interest Expense.* Consolidated interest expense for the nine months ended September 30, 2007 was \$46.0 million as compared to interest expense of \$33.0 million for the nine months ended September 30, 2006. This 39% increase for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 primarily resulted from an overall increase in the index rates (primarily LIBOR) and an increase in average borrowings outstanding during the comparable periods. Partially offsetting these negative impacts on consolidated interest expense was a \$1.7 million increase in capitalized interest over the comparable periods due to the increase of capital projects in progress during the nine months ended September 30, 2007. Additionally, consolidated interest expense over the comparable periods was partially offset by decreases in the applicable margins under our Credit Facility dated December 28, 2006 as compared to our borrowing facility in effect during the nine months ended September 30, 2006.

*Interest Income.* Interest income was \$0.8 million for the nine months ended September 30, 2007 as compared to \$2.8 million for the nine months ended September 30, 2006.

*Gain (loss) on Derivatives.* We have determined that the Cash Flow Swap and our other derivative instruments do not qualify as hedges for hedge accounting purposes under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. For the nine months ended September 30, 2007, we incurred \$251.9 million in losses on derivatives. This compares to a \$44.7 million gain on derivatives for the nine months ended September 30, 2006. This significant change in gain (loss) on derivatives for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily attributable to the realized and unrealized gains (losses) on our Cash Flow Swap. Realized losses on the Cash Flow Swap for the nine months ended September 30, 2007 and the nine months ended September 30, 2006 were \$142.6 million and \$46.2 million, respectively. The increase in realized losses over the comparable periods was primarily the result of higher average crack spreads for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006. Unrealized gains or losses represent the change in the mark-to-market value on the unrealized portion of the Cash Flow Swap based on changes in the NYMEX crack spread that is the basis for the Cash Flow Swap. Unrealized losses on our Cash Flow Swap for the nine months ended September 30, 2007 were \$98.3 million and reflect an increase in the crack spread values on the unrealized positions comprising the Cash Flow Swap. In contrast, the unrealized portion of the Cash Flow Swap for the nine months ended September 30, 2006 reported mark-to-market gains of \$80.3 million and reflect a decrease in the crack spread values on the unrealized positions comprising the Cash Flow Swap. In addition, the outstanding term of the Cash Flow Swap at the end of each period also affects the impact of changes in the underlying crack spread. As of September 30, 2007, the Cash Flow Swap had a remaining term of approximately two years and nine months whereas as of September 30, 2006, the remaining term on the Cash Flow Swap was approximately three years and nine months. As a result of the longer remaining term as of September 30, 2006, a similar change in crack spread will have a greater impact on the unrealized gains or losses.

*Provision for Income Taxes.* Income tax benefit for the nine months ended September 30, 2007 was \$93.4 million, or 69% of loss before income taxes, as compared to income tax expense of \$111.0 million, or 39% of earnings before income taxes, for the nine months ended September 30, 2006. The annualized effective rate for 2007, which was applied to loss before income taxes for the nine month period ended September 30, 2007, is higher than the comparable annualized effective tax rate for 2006, which was applied to earnings before income taxes for the nine months ended September 30, 2006, primarily due to the correlation between the amount of credits which are projected to be generated in 2007 from the production of ultra low sulfur diesel fuel and the reduced level of projected earnings before income taxes for 2007.

*Minority Interest in (income) loss of Subsidiaries.* Minority interest in loss of subsidiaries for the nine months ended September 30, 2007 was \$0.2 million. Minority interest relates to common stock in two of our subsidiaries owned by our chief executive officer. In October 2007, in connection with our initial public offering, our chief executive officer exchanged his common stock in our subsidiaries for common stock of CVR Energy.

*Net Income.* For the nine months ended September 30, 2007, net income decreased to a net loss of \$40.9 million as compared to net income of \$170.8 million for the nine months ended September 30, 2006.

Net income decreased \$211.7 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006, primarily due to the refinery turnaround, downtime and costs associated with the flood and a significant change in the value of the Cash Flow Swap over the comparable periods.

#### *Petroleum*

*Net Sales.* Petroleum net sales were \$1,707.3 million for the nine months ended September 30, 2007 compared to \$2,205.0 million for the nine months ended September 30, 2006. The decrease of \$497.7 million from the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of significantly lower sales volumes (\$656.8 million), partially offset by higher product prices (\$159.1 million). Overall sales volumes of refined fuels for the nine months ended September 30, 2007 decreased 29% as compared to the nine months ended September 30, 2006. The decreased sales volume primarily resulted from a significant reduction in refined fuel production volumes over the comparable periods due to the refinery turnaround which began in February 2007 and was completed in April 2007 and the refinery downtime resulting from the flood. Our average sales price per gallon for the nine months ended September 30, 2007 for gasoline of \$2.14 and distillate of \$2.12 increased by 8% and 4%, respectively, as compared to the nine months ended September 30, 2006.

*Cost of Product Sold Exclusive of Depreciation and Amortization.* Cost of product sold includes cost of crude oil, other feedstocks and blendstocks, purchased products for resale, transportation and distribution costs. Petroleum cost of product sold exclusive of depreciation and amortization was \$1,312.2 million for the nine months ended September 30, 2007 compared to \$1,828.1 million for the nine months ended September 30, 2006. The decrease of \$515.9 million from the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of a significant reduction in crude throughput due to the refinery turnaround which began in February 2007 and was completed in April 2007 and the refinery downtime resulting from the flood. In addition to the refinery turnaround and the flood, crude oil prices, reduced sales volumes and the impact of FIFO accounting also impacted cost of product sold during the comparable periods. Our average cost per barrel of crude oil for the nine months ended September 30, 2007 was \$60.90, compared to \$63.87 for the comparable period of 2006, a decrease of 5%. Sales volume of refined fuels decreased 29% for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 principally due to the refinery turnaround and flood. In addition, under our FIFO accounting method, changes in crude oil prices can cause fluctuations in the inventory valuation of our crude oil, work in process and finished goods, thereby resulting in FIFO inventory gains when crude oil prices increase and FIFO inventory losses when crude oil prices decrease. For the nine months ended September 30, 2007, we had FIFO inventory gains of \$37.4 million compared to FIFO inventory gains of \$13.0 million for the comparable period of 2006.

Refining margin per barrel of crude throughput increased from \$14.68 for the nine months ended September 30, 2006 to \$22.32 for the nine months ended September 30, 2007 primarily due to the 33% increase (\$3.82 per barrel) in the average NYMEX 2-1-1 crack spread over the comparable periods and positive regional differences between gasoline and distillate prices in our primary marketing region (the Coffeyville supply area) and those of the NYMEX. The average gasoline basis for the nine months ended September 30, 2007 increased by \$2.92 per barrel to \$4.74 per barrel compared to \$1.82 per barrel in the comparable period of 2006. The average distillate basis for the nine months ended September 30, 2007 increased by \$1.64 per barrel to \$9.54 per barrel compared to \$7.90 per barrel in the comparable period of 2006. The positive effect of the increased NYMEX 2-1-1 crack spreads and refined fuels basis over the comparable periods was partially offset by reductions in the crude oil differentials over the comparable periods. Decreased discounts for sour crude oils evidenced by the \$0.74 per barrel, or 14%, decrease in the spread between the WTI price, which is a market indicator for the price of light sweet crude, and the WTS price, which is an indicator for the price of sour crude, negatively impacted refining margin for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006.

*Direct Operating Expenses Exclusive of Depreciation and Amortization.* Direct operating expenses for our Petroleum operations include costs associated with the actual operations of our refinery, such as energy and utility costs, catalyst and chemical costs, repairs and maintenance (turnaround), labor and environmental compliance costs. Petroleum direct operating expenses exclusive of depreciation and amortization were \$170.7 million for the nine months ended September 30, 2007 compared to direct operating expenses of \$97.3 million for the nine months



ended September 30, 2006. The increase of \$73.4 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 was the result of increases in expenses associated with repairs and maintenance related to the refinery turnaround (\$74.9 million), taxes (\$6.8 million), insurance (\$1.9 million), direct labor (\$1.3 million), outside services (\$1.2 million) and production chemicals (\$0.4 million). These increases in direct operating expenses were partially offset by reductions in expenses associated with energy and utilities (\$5.8 million), repairs and maintenance (\$3.0 million), environmental compliance (\$2.4 million), rent and lease (\$1.7 million) and operating materials (\$0.6 million). On a per barrel of crude throughput basis, direct operating expenses per barrel of crude throughput for the nine months ended September 30, 2007 increased to \$9.64 per barrel as compared to \$3.79 per barrel for the nine months ended September 30, 2006 principally due to refinery turnaround expenses and the related downtime associated with the turnaround and the flood and the corresponding impact on overall crude oil throughput and production volume.

*Net Costs Associated with Flood.* Petroleum net costs associated with the flood for the nine months ended September 30, 2007 approximated \$30.6 million as compared to none for the nine months ended September 30, 2006. Total gross costs recorded for the nine months ended September 30, 2007 were approximately \$123.3 million. Of these gross costs approximately \$83.8 million were associated with repair and other matters as a result of the damage to the refinery. Included in this cost was approximately \$6.8 million recorded for depreciation for the temporarily idle facilities, \$4.6 million for internal salaries, \$1.8 million of professional fees and \$70.6 million for other repair and related costs. There were approximately \$39.5 million recorded with respect to the environmental remediation and property damage. Total accounts receivable from insurers approximated \$92.7 million at September 30, 2007, for which we believe collection is probable.

*Depreciation and Amortization.* Petroleum depreciation and amortization was \$29.7 million for the nine months ended September 30, 2007 as compared \$23.6 million for the nine months ended September 30, 2006, an increase of \$6.1 million over the comparable periods. During the restoration period for the refinery due to the flood, \$6.8 million of depreciation and amortization was reclassified into net costs associated with flood. Adjusting for this \$6.8 million reclassification, the increase in petroleum depreciation and amortization for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 would have been approximately \$12.9 million. This adjusted increase in petroleum depreciation and amortization for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of the completion of the several large capital projects in late 2006 and during the nine months ended September 30, 2007.

*Operating Income.* Petroleum operating income was \$129.4 million for the nine months ended September 30, 2007 as compared to operating income of \$233.5 million for the nine months ended September 30, 2006. This decrease of \$104.1 million from the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of the refinery turnaround which began in February 2007 and was completed in April 2007 and the refinery downtime resulting from the flood. The turnaround negatively impacted daily refinery crude throughput and refined fuels production. Substantially all of the refinery's units damaged by the flood were back in operation by August 20, 2007. In addition, direct operating expenses increased substantially during the nine months ended September 30, 2007 related to repairs and maintenance associated with the refinery turnaround (\$74.9 million), taxes (\$6.8 million), insurance (\$1.9 million), direct labor (\$1.3 million), outside services (\$1.2 million) and production chemicals (\$0.4 million). These increases in direct operating expenses were partially offset by reductions in expenses associated with energy and utilities (\$5.8 million), repairs and maintenance (\$3.0 million), environmental compliance (\$2.4 million), rent and lease (\$1.7 million) and operating materials (\$0.6 million).

#### *Fertilizer*

*Net Sales.* Nitrogen fertilizer net sales were \$115.1 million for the nine months ended September 30, 2007 compared to \$128.2 million for the nine months ended September 30, 2006. The decrease of \$13.1 million from the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was the result of reductions in overall sales volumes (\$28.6 million), partially offset by higher plant gate prices (\$15.5 million).

In regard to product sales volumes for the nine months ended September 30, 2007, our nitrogen operations experienced a decrease of 39% in ammonia sales unit volumes (38,076 tons) and a decrease of 13% in UAN sales

unit volumes (63,542 tons). The decrease in ammonia sales volume was the result of decreased production volumes during the nine months ended September 30, 2007 relative to the comparable period of 2006 due to unscheduled downtime at our fertilizer plant and the transfer of hydrogen to our Petroleum operations to facilitate sulfur recovery in the ultra low sulfur diesel production unit. The transfer of hydrogen to our Petroleum operations is scheduled to be replaced with hydrogen produced by the new continuous catalytic reformer scheduled to be completed in the late 2007 to early 2008. On-stream factors (total number of hours operated divided by total hours in the reporting period) for all units of our nitrogen operations (gasifier, ammonia plant and UAN plant) were less than the comparable period primarily due to approximately eighteen days of downtime for all three primary nitrogen units associated with the flood and nine days of downtime related to compressor repairs in the ammonia unit. In addition, all three primary units also experienced brief and unscheduled downtime for repairs and maintenance during the nine months ended September 30, 2007. It is typical to experience brief outages in complex manufacturing operations such as our nitrogen fertilizer plant which result in less than one hundred percent on-stream availability for one or more specific units.

Plant gate prices are prices FOB the delivery point less any freight cost we absorb to deliver the product. We believe plant gate price is meaningful because we sell products both FOB our plant gate (sold plant) and FOB the customer's designated delivery site (sold delivered) and the percentage of sold plant versus sold delivered can change month to month or nine months to nine months. The plant gate price provides a measure that is consistently comparable period to period. Plant gate prices for the nine months ended September 30, 2007 for ammonia and UAN were greater than plant gate prices for the comparable period of 2006 by 3% and 20%, respectively. Our ammonia and UAN sales prices for product shipped during the nine months ended September 30, 2006 generally followed volatile natural gas prices; however, it is typical for the reported pricing in our fertilizer business to lag the spot market prices for nitrogen fertilizer due to forward price contracts. As a result, forward price contracts entered into the late summer and fall of 2005 (during a period of relatively high natural gas prices due to the impact of hurricanes Rita and Katrina) comprised a significant portion of the product shipped in the spring of 2006. However, as natural gas prices moderated in the spring and summer of 2006, fertilizer nitrogen fertilizer prices declined and the spot and fill contracts entered into and shipped during this lower natural gas prices environment realized lower average netbacks. Ammonia and UAN sales prices for the nine months ending September 2007 were impacted by both relatively low natural gas prices and a dramatic increase in nitrogen fertilizer prices driven by increased demand for fertilizer due to the increased use of corn for the production of ethanol and an overall increase in prices for corn, wheat and soybeans, the primary row crops in our region. This increase in demand for nitrogen fertilizer has created an environment in which nitrogen fertilizer prices have disconnected from their traditional correlation to natural gas.

The demand for fertilizer is affected by the aggregate crop planting decisions and fertilizer application rate decisions of individual farmers. Individual farmers make planting decisions based largely on the prospective profitability of a harvest, while the specific varieties and amounts of fertilizer they apply depend on factors like crop prices, their current liquidity, soil conditions, weather patterns and the types of crops planted.

*Cost of Product Sold Exclusive of Depreciation and Amortization.* Cost of product sold exclusive of depreciation and amortization is primarily comprised of petroleum coke expense, hydrogen reimbursement and freight and distribution expenses. Cost of product sold excluding depreciation and amortization for the nine months ended September 30, 2007 was \$9.9 million compared to \$23.8 million for the nine months ended September 30, 2006. The decrease of \$13.9 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of increased hydrogen reimbursement due to the transfer of hydrogen to our Petroleum operations to facilitate sulfur recovery in the ultra low sulfur diesel production unit and reduced freight expense partially offset by an increase in petroleum coke costs.

*Direct Operating Expenses Exclusive of Depreciation and Amortization.* Direct operating expenses for our Nitrogen fertilizer operations include costs associated with the actual operations of our nitrogen plant, such as repairs and maintenance, energy and utility costs, catalyst and chemical costs, outside services, labor and environmental compliance costs. Nitrogen direct operating expenses exclusive of depreciation and amortization for the nine months ended September 30, 2007 were \$48.1 million as compared to \$47.2 million for the nine months ended September 30, 2006. The increase of \$0.9 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of increases in repairs and maintenance

(\$3.6 million), utilities (\$1.0 million), equipment rental (\$0.4 million), and insurance (\$0.3 million). These increases in direct operating expenses were partially offset by reductions in expenses associated with turnaround (\$2.6 million), royalties (\$0.6 million), catalyst (\$0.5 million), outside services (\$0.3 million) and chemicals (\$0.3 million).

*Net Costs Associated with Flood.* Nitrogen fertilizer net costs associated with flood for the nine months ended September 30, 2007 approximated \$2.0 million as compared to none for the nine months ended September 30, 2006. Total gross costs recorded as a result of the damage to the fertilizer plant for the nine months ended September 30, 2007 were approximately \$5.2 million. Included in this cost was approximately \$0.8 million recorded for depreciation for the temporarily idle facilities, \$0.7 million for internal salaries and \$3.7 million for other repair and related costs. Total accounts receivable from insurers approximated \$3.2 million at September 30, 2007, for which we believe collection is probable.

*Depreciation and Amortization.* Nitrogen fertilizer depreciation and amortization decreased to \$12.4 million for the nine months ended September 30, 2007 as compared to \$12.7 million for the nine months ended September 30, 2006. During the restoration period for the nitrogen fertilizer operations due to the flood, \$0.8 million of depreciation and amortization was reclassified into net costs associated with flood. Adjusting for this \$0.8 reclassification, nitrogen fertilizer depreciation and amortization would have increased by approximately \$0.5 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006.

*Operating Income.* Nitrogen fertilizer operating income was \$34.9 million for the nine months ended September 30, 2007 as compared to \$34.1 million for the nine months ended September 30, 2006. This increase of \$0.8 million for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was primarily the result of a \$13.9 million reduction in cost of product sold excluding depreciation and amortization due to increased hydrogen reimbursement and reduced freight expense partially offset by an increase in petroleum coke costs and decreased direct operating expenses associated with turnaround (\$2.6 million), royalties (\$0.6 million), catalyst (\$0.5 million), outside services (\$0.3 million) and chemicals (\$0.3 million). These decreases in expenses were partially offset by reduced sales volumes and increased direct operating expenses primarily the result of increases in repairs and maintenance (\$3.6 million), utilities (\$1.0 million), equipment rental (\$0.4 million) and insurance (\$0.3 million).

#### **Liquidity and Capital Resources**

Our primary sources of liquidity are cash generated from our operating activities, existing cash balances and our existing revolving credit facility. Additionally, we have borrowings from related parties. Our ability to generate sufficient cash flows from our operating activities will continue to be primarily dependent on producing or purchasing, and selling, sufficient quantities of refined products at margins sufficient to cover fixed and variable expenses.

Our liquidity was enhanced during the fourth quarter of 2007 by the receipt of \$408.5 million of net proceeds from our initial public offering after the payment of underwriting discounts and commissions, but before the deduction of offering expenses. We believe that our cash flows from operations, borrowings under our revolving credit facilities, proceeds from the initial public offering and other capital resources will be sufficient to satisfy the anticipated cash requirements associated with our existing operations for at least the next 12 months. However, our future capital expenditures and other cash requirements could be higher than we currently expect as a result of various factors. Additionally, our ability to generate sufficient cash from our operating activities depends on our future performance, which is subject to general economic, political, financial, competitive, and other factors beyond our control.

#### **Debt**

##### ***Credit Facility***

On December 28, 2006, our subsidiary Coffeyville Resources, LLC entered into a Credit Facility which provided financing of up to \$1.075 billion. The Credit Facility consisted of \$775.0 million of tranche D term loans, a \$150.0 million revolving credit facility, and a funded letter of credit facility of \$150.0 million issued in support of

the Cash Flow Swap. On October 26, 2007, we repaid \$280.0 million of the tranche D term loans with proceeds from our initial public offering. The Credit Facility is guaranteed by all of our subsidiaries and is secured by substantially all of their assets including the equity of our subsidiaries on a first lien priority basis.

The tranche D term loans outstanding are subject to quarterly principal amortization payments of 0.25% of the outstanding balance commencing on April 1, 2007 and increasing to 23.5% of the outstanding principal balance on April 1, 2013 and the next two quarters, with a final payment of the aggregate outstanding balance on December 28, 2013.

The revolving loan facility of \$150.0 million provides for direct cash borrowings for general corporate purposes and on a short-term basis. Letters of credit issued under the revolving loan facility are subject to a \$75.0 million sub-limit. The revolving loan commitment expires on December 28, 2012. The borrower has an option to extend this maturity upon written notice to the lenders; however, the revolving loan maturity cannot be extended beyond the final maturity of the term loans, which is December 28, 2013. As of September 30, 2007, we had available \$93.1 million under the revolving credit facility. As of October 26, 2007, after giving effect to our initial public offering, we had available \$110.6 million under the revolving credit facility.

The \$150.0 million funded letter of credit facility provides credit support for our obligations under the Cash Flow Swap. The funded letter of credit facility is fully cash collateralized by the funding by the lenders of cash into a credit linked deposit account. This account is held by the funded letter of credit issuing bank. Contingent upon the requirements of the Cash Flow Swap, the borrower has the ability to reduce the funded letter of credit at any time upon written notice to the lenders. The funded letter of credit facility expires on December 28, 2010.

The Credit Facility incorporates the following pricing by facility type:

- Tranche D term loans bear interest at either (a) the greater of the prime rate and the federal funds effective rate plus 0.5%, plus in either case 2.25%, or, at the borrower's option, (b) LIBOR plus 3.25% (with step-downs to the prime rate/federal funds rate plus 1.75% or 1.50% or LIBOR plus 2.75% or 2.50%, respectively, upon achievement of certain rating conditions).
- Revolving loan borrowings bear interest at either (a) the greater of the prime rate and the federal funds effective rate plus 0.5%, plus in either case 2.25%, or, at the borrower's option, (b) LIBOR plus 3.25% (with step-downs to the prime rate/federal funds rate plus 1.75% or 1.50% or LIBOR plus 2.75% or 2.50%, respectively, upon achievement of certain rating conditions).
- Letters of credit issued under the \$75.0 million sub-limit available under the revolving loan facility are subject to a fee equal to the applicable margin on revolving LIBOR loans owing to all revolving lenders and a fronting fee of 0.25% per annum owing to the issuing lender.
- Funded letters of credit are subject to a fee equal to the applicable margin on term LIBOR loans owed to all funded letter of credit lenders and a fronting fee of 0.125% per annum owing to the issuing lender. The borrower is also obligated to pay a fee of 0.10% to the administrative agent on a quarterly basis based on the average balance of funded letters of credit outstanding during the calculation period, for the maintenance of a credit-linked deposit account backstopping funded letters of credit.

In addition to the fees stated above, the Credit Facility requires the borrower to pay 0.50% per annum in commitment fees on the unused portion of the revolving loan facility.

The Credit Facility requires the borrower to prepay outstanding loans, subject to certain exceptions, with:

- 100% of the net asset sale proceeds received from specified asset sales and net insurance/condemnation proceeds, if the borrower does not reinvest those proceeds in assets to be used in its business or make other permitted investments within 12 months or if, within 12 months of receipt, the borrower does not contract to reinvest those proceeds in assets to be used in its business or make other permitted investments within 18 months of receipt, each subject to certain limitations;
- 100% of the cash proceeds from the incurrence of specified debt obligations;

- 75% of “consolidated excess cash flow” less 100% of voluntary prepayments made during the fiscal year; provided that with respect to any fiscal year commencing with fiscal 2008 this percentage will be reduced to 50% if the total leverage ratio at the end of such fiscal year is less than 1.50:1.00 or 25% if the total leverage ratio as of the end of such fiscal year is less than 1.00:1.00; and
- 100% of the cash proceeds received by us from any initial public offering or secondary registered offering of equity interests, until the aggregate amount of such proceeds is equal to \$280 million.

Mandatory prepayments will be applied first to the term loan, second to the swing line loans, third to the revolving loans, fourth to outstanding reimbursement obligations with respect to revolving letters of credit and funded letters of credit, and fifth to cash collateralize revolving letters of credit and funded letters of credit. Voluntary prepayments of loans under the Credit Facility are permitted, in whole or in part, at the borrower’s option, without premium or penalty.

The Credit Facility contains customary covenants. These agreements, among other things, restrict, subject to certain exceptions, the ability of Coffeyville Resources, LLC and its subsidiaries to incur additional indebtedness, create liens on assets, make restricted junior payments, enter into agreements that restrict subsidiary distributions, make investments, loans or advances, engage in mergers, acquisitions or sales of assets, dispose of subsidiary interests, enter into sale and leaseback transactions, engage in certain transactions with affiliates and stockholders, change the business conducted by the credit parties, and enter into hedging agreements. The Credit Facility provides that Coffeyville Resources, LLC may not enter into commodity agreements if, after giving effect thereto, the exposure under all such commodity agreements exceeds 75% of Actual Production (the borrower’s estimated future production of refined products based on the actual production for the three prior months) or for a term of longer than six years from December 28, 2006. In addition, the borrower may not enter into material amendments related to any material rights under the Cash Flow Swap or the Partnership’s partnership agreement without the prior written approval of the lenders. These limitations are subject to critical exceptions and exclusions and are not designed to protect investors in our common stock.

The Credit Facility also requires the borrower to maintain certain financial ratios as follows:

Fiscal Quarter Ending	Minimum Interest Coverage Ratio	Maximum Leverage Ratio
September 30, 2007	2.75:1.00	4.25:1.00
December 31, 2007	2.75:1.00	4.00:1.00
March 31, 2008	3.25:1.00	3.25:1.00
June 30, 2008	3.25:1.00	3.00:1.00
September 30, 2008	3.25:1.00	2.75:1.00
December 31, 2008	3.25:1.00	2.50:1.00
March 31, 2009 and thereafter	3.75:1.00	2.25:1.00

to December 31, 2009,  
2.00:1.00 thereafter

The computation of these ratios is governed by the specific terms of the Credit Facility and may not be comparable to other similarly titled measures computed for other purposes or by other companies. The minimum interest coverage ratio is the ratio of consolidated adjusted EBITDA to consolidated cash interest expense over a four quarter period. The maximum leverage ratio is the ratio of consolidated total debt to consolidated adjusted EBITDA over a four quarter period. The computation of these ratios requires a calculation of consolidated adjusted EBITDA. In general, under the terms of our Credit Facility, consolidated adjusted EBITDA is calculated by adding consolidated net income, consolidated interest expense, income taxes, depreciation and amortization, other non- cash expenses, any fees and expenses related to permitted acquisitions, any non-recurring expenses incurred in connection with the issuance of debt or equity, management fees, any unusual or non-recurring charges up to 7.5% of consolidated adjusted EBITDA, any net after-tax loss from disposed or discontinued operations, any incremental property taxes related to abatement non-renewal, any losses attributable to minority equity interests and major

scheduled turnaround expenses. As of September 30, 2007, we were in compliance with our covenants under the Credit Facility.

We present consolidated adjusted EBITDA because it is a material component of material covenants within our current Credit Facility and significantly impacts our liquidity and ability to borrow under our revolving line of credit. However, consolidated adjusted EBITDA is not a defined term under GAAP and should not be considered as an alternative to operating income or net income as a measure of operating results or as an alternative to cash flows as a measure of liquidity. Consolidated adjusted EBITDA is calculated under the Credit Facility as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007 (Unaudited) (In millions)	2006	2007
<b>Consolidated Financial Results</b>				
Net income (loss)	\$ 129.0	\$ 13.4	\$ 170.8	\$ (40.9)
Plus:				
Depreciation and amortization	12.8	18.1	36.8	50.3
Interest expense	10.7	18.3	33.0	46.0
Income tax expense (benefit)	85.3	47.6	111.0	(93.4)
Funded letters of credit expense and interest rate swap not included in interest expense	(0.4)	0.7	0.2	0.9
Major scheduled turnaround expense	4.1	—	4.4	76.8
Unrealized (gain) or loss on derivatives	(173.7)	(86.2)	(81.6)	103.8
Non-cash compensation expense for equity awards	—	4.5	2.3	11.3
(Gain) or loss on disposition of fixed assets	0.8	0.1	1.2	1.2
Minority interest	—	0.1	—	(0.2)
Management fees	0.5	0.5	1.6	1.5
Adjusted EBITDA	<u>\$ 69.1</u>	<u>\$ 17.1</u>	<u>\$ 279.7</u>	<u>\$ 157.3</u>

In addition to the financial covenants summarized in the table above, the Credit Facility restricts the capital expenditures of Coffeyville Resources, LLC to \$375 million in 2007, \$125 million in 2008, \$125 million in 2009, \$80 million in 2010, and \$50 million in 2011 and thereafter. The capital expenditures covenant includes a mechanism for carrying over the excess of any previous year's capital expenditure limit. The capital expenditures limitation will not apply for any fiscal year commencing with fiscal 2009 if the borrower consummates an initial public offering and obtains a total leverage ratio of less than or equal to 1.25:1.00 for any quarter commencing with the quarter ended December 31, 2008. We believe the limitations on our capital expenditures imposed by the Credit Facility should allow us to meet our current capital expenditure needs. However, if future events require us or make it beneficial for us to make capital expenditures beyond those currently planned, we would need to obtain consent from the lenders under our Credit Facility.

The Credit Facility also contains customary events of default. The events of default include the failure to pay interest and principal when due, including fees and any other amounts owed under the Credit Facility, a breach of certain covenants under the Credit Facility, a breach of any representation or warranty contained in the Credit Facility, any default under any of the documents entered into in connection with the Credit Facility, the failure to pay principal or interest or any other amount payable under other debt arrangements in an aggregate amount of at least \$20 million, a breach or default with respect to material terms under other debt arrangements in an aggregate amount of at least \$20 million which results in the debt becoming payable or declared due and payable before its stated maturity, a breach or default under the Cash Flow Swap that would permit the holder or holders to terminate the Cash Flow Swap, events of bankruptcy, judgments and attachments exceeding \$20 million, events relating to employee benefit plans resulting in liability in excess of \$20 million, a change in control, the guarantees, collateral documents or the Credit Facility failing to be in full force and effect or being declared null and void, any guarantor repudiating its obligations, the failure of the collateral agent under the Credit Facility to have a lien on any material

portion of the collateral, and any party under the Credit Facility (other than the agent or lenders under the Credit Facility) contesting the validity or enforceability of the Credit Facility.

Under the terms of our Credit Facility, our initial public offering was deemed a "Qualified IPO" because the offering generated at least \$250 million of gross proceeds and we used the proceeds of the offering to repay at least \$275 million of term loans under the Credit Facility. As a result of our Qualified IPO, the interest margin on LIBOR loans may in the future decrease from 3.25% to 2.75% (if we have credit ratings of B2/B) or 2.50% (if we have credit ratings of B1/B+). Interest on base rate loans will similarly be adjusted. In addition, as a result of our Qualified IPO, (1) we will be allowed to borrow an additional \$225 million under the Credit Facility after June 30, 2008 to finance capital enhancement projects if we are in pro forma compliance with the financial covenants in the Credit Facility and the rating agencies confirm our ratings, (2) we will be allowed to pay an additional \$35 million of dividends each year, if our corporate family ratings are at least B2 from Moody's and B from S&P, (3) we will not be subject to any capital expenditures limitations commencing with fiscal 2009 if our total leverage ratio is less than or equal to 1.25:1 for any quarter commencing with the quarter ended December 31, 2008, and (4) at any time after March 31, 2008 we will be allowed to reduce the Cash Flow Swap to not less than 35,000 barrels a day for fiscal 2008 and terminate the Cash Flow Swap for any year commencing with fiscal 2009, so long as our total leverage ratio is less than or equal to 1.25:1 and we have a corporate family rating of at least B2 from Moody's and B from S&P.

The Credit Facility is subject to an intercreditor agreement among the lenders and the Cash Flow Swap provider, which deal with, among other things, priority of liens, payments and proceeds of sale of collateral.

At December 31, 2006 and September 30, 2007, funded long-term debt, including current maturities, totaled \$775.0 million and \$771.1 million, respectively, of tranche D term loans. Other commitments at December 31, 2006 and September 30, 2007 included a \$150.0 million funded letter of credit facility and a \$150.0 million revolving credit facility. As of December 31, 2006, the commitment outstanding on the revolving credit facility was a \$6.4 million letter of credit issued to provide transitional collateral to the lender that issued \$3.2 million in letters of credit in support of certain environmental obligations and \$3.2 million in letters of credit to secure transportation services for a crude oil pipeline. As of September 30, 2007, the commitment outstanding on the revolving credit facility was \$56.9 million, including \$20.0 million in borrowings, \$3.3 million in letters of credit in support of certain environmental obligations, \$3.0 million in support of surety bonds in place to support state and federal excise tax for refined fuels, and \$30.6 million in letters of credit to secure transportation services for a crude oil pipeline.

#### ***Payment Deferrals Related to Cash Flow Swap***

As a result of the flood and the temporary cessation of our operations on June 30, 2007, Coffeyville Resources, LLC entered into several deferral agreements with J. Aron with respect to the Cash Flow Swap. These deferral agreements deferred to January 31, 2008 the payment of approximately \$123.7 million (plus accrued interest) which we owed to J. Aron. J. Aron has agreed to further defer these payments to August 31, 2008 but we will be required to use 37.5% of our consolidated excess cash flow for any quarter after January 31, 2008 to prepay the deferred amounts.

- On June 26, 2007, Coffeyville Resources, LLC and J. Aron & Company entered into a letter agreement in which J. Aron deferred to August 7, 2007 a \$45 million payment which we owed to J. Aron under the Cash Flow Swap for the period ending June 30, 2007. We agreed to pay interest on the deferred amount at the rate of LIBOR plus 3.25%.
- On July 11, 2007, Coffeyville Resources, LLC and J. Aron entered into a letter agreement in which J. Aron deferred to July 25, 2007 a separate \$43.7 million payment which we owed to J. Aron under the Cash Flow Swap for the period ending June 30, 2007. J. Aron deferred the \$43.7 million payment on the conditions that (a) each of GS Capital Partners V Fund, L.P. and Kelso Investment Associates VII, L.P. agreed to guarantee one half of the payment and (b) interest accrued on the \$43.7 million from July 9, 2007 to the date of payment at the rate of LIBOR plus 1.50%.
- On July 26, 2007, Coffeyville Resources, LLC and J. Aron entered into a letter agreement in which J. Aron deferred to September 7, 2007 both the \$45 million payment due August 7, 2007 (and accrued interest) and

the \$43.7 million payment due July 25, 2007 (and accrued interest). J. Aron deferred these payments on the conditions that (a) each of GS Capital Partners V Fund, L.P. and Kelso Investment Associates VII, L.P. agreed to guarantee one half of the payments and (b) interest accrued on the amounts from July 26, 2007 to the date of payment at the rate of LIBOR plus 1.50%.

- On August 23, 2007, Coffeyville Resources, LLC and J. Aron entered into a letter agreement in which J. Aron deferred to January 31, 2008 the \$45 million payment due September 7, 2007 (and accrued interest), the \$43.7 million payment due September 7, 2007 (and accrued interest) and the \$35 million payment which we owed to J. Aron under the Cash Flow Swap to settle hedged volume through August 15, 2007. J. Aron deferred these payments (totaling \$123.7 million plus accrued interest) on the conditions that (a) each of GS Capital Partners V Fund, L.P. and Kelso Investment Associates VII, L.P. agreed to guarantee one half of the payments and (b) interest accrued on the amounts to the date of payment at the rate of LIBOR plus 1.50%.

#### ***Nitrogen Fertilizer Limited Partnership***

The managing general partner of the Partnership may, from time to time, seek to raise capital through a public or private offering of limited partner interests in the Partnership. Any decision to pursue such a transaction would be made in the discretion of the managing general partner, not us, and any proceeds raised in a primary offering would be for the benefit of the Partnership, not us (although in some cases, depending on the structure of the transaction, the Partnership might remit proceeds to us). If the managing general partner elects to pursue a public or private offering of limited partner interests in the Partnership, we expect that any such transaction would require amendments to our Credit Facility, as well as the Cash Flow Swap, in order to remove the Partnership and its subsidiaries as obligors under such instruments. Any such amendments could result in significant changes to our Credit Facility's pricing, mandatory repayment provisions, covenants and other terms and could result in increased interest costs and require payment by us of additional fees. We have agreed to use our commercially reasonable efforts to obtain such amendments if the managing general partner elects to cause the Partnership to pursue a public or private offering and gives us at least 90 days written notice.

However, we cannot assure you that we will be able to obtain any such amendment on terms acceptable to us or at all. If we are not able to amend our Credit Facility on terms satisfactory to us, we may need to refinance them with other facilities. We will not be considered to have used our "commercially reasonable efforts" to obtain such amendments if we do not effect the requested modifications due to (i) payment of fees to the lenders or the swap counterparty, (ii) the costs of this type of amendment, (iii) an increase in applicable margins or spreads or (iv) changes to the terms required by the lenders including covenants, events of default and repayment and prepayment provisions; provided that (i), (ii), (iii) and (iv) in the aggregate are not likely to have a material adverse effect on us. In order to effect the requested amendments, we may require that (1) the Partnership's initial public or private offering generate at least \$140 million in net proceeds to us and (2) the Partnership raise an amount of cash (from the issuance of equity or incurrence of indebtedness) equal to \$75 million minus the amount of capital expenditures it will reimburse us for from the proceeds of its initial public or private offering and to distribute that cash to us prior to, or concurrently with, the closing of its initial public or private offering. If the managing general partner sells interests to third party investors, we expect that the Partnership may at such time seek to enter into its own credit facility.

In addition, we may elect to sell our interests in the Partnership in a secondary public offering (either in connection with a public offering by the Partnership, but subject to priority rights in favor of the Partnership, or following completion of the Partnership's initial public offering, if any) or in a private placement. Neither the consent of the managing general partner nor the consent of the Partnership is required for any sale of our interests in the Partnership, other than customary blackout periods relating to offerings by the Partnership. Any proceeds raised would be for our benefit. The Partnership has granted us registration rights which will require the Partnership to register our interests with the SEC at our request from time to time (following any public offering by the Partnership), subject to various limitations and requirements.



**Cash Flows**

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2007	2006	2007
Net cash provided by (used in):				
Operating activities	\$ (22,448)	\$ 3,856	\$ 97,861	\$ 161,490
Investing activities	(86,775)	(25,642)	(172,950)	(239,695)
Financing activities	19,442	26,026	48,471	63,604
Net increase (decrease) in cash and cash equivalents	<u>\$ (89,781)</u>	<u>\$ 4,240</u>	<u>\$ (26,618)</u>	<u>\$ (14,601)</u>

**Cash Flows Provided by Operating Activities**

Net cash flows from operating activities for the nine months ended September 30, 2007 was \$161.5 million. The positive cash flow from operating activities generated over this period was primarily driven by favorable changes in other working capital and trade working capital, partially offset by unfavorable changes in other assets and liabilities over the period. For purposes of this cash flow discussion, we define trade working capital as accounts receivable, inventory and accounts payable. Other working capital is defined as all other current assets and liabilities except trade working capital. Net income for the period was not indicative of the operating margins for the period. This is the result of the accounting treatment of our derivatives in general and more specifically, the Cash Flow Swap. We have determined that the Cash Flow Swap does not qualify as a hedge for hedge accounting purposes under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. Therefore, the net loss for the nine months ended September 30, 2007 included both the realized losses and the unrealized losses on the Cash Flow Swap. Since the Cash Flow Swap had a significant term remaining as of September 30, 2007 (approximately two years and nine months) and the NYMEX crack spread that is the basis for the underlying swaps had increased, the unrealized losses on the Cash Flow Swap significantly decreased our Net Income over this period. The impact of these unrealized losses on the Cash Flow Swap is apparent in the \$230.9 million increase in the payable to swap counterparty. Adding to our operating cash flow for the nine months ended September 30, 2007 was \$38.1 million source of cash related to changes in trade working capital. For the nine months ended September 30, 2007, accounts receivable decreased \$4.1 million while inventory increased by \$48.4 million resulting in a net use of cash of \$44.3 million. These uses of cash due to changes in trade working capital were more than offset by an increase in accounts payable, or a source of cash, of \$82.4 million. The primary uses of cash during the period include a \$96.4 million increase in our insurance receivable related to the flood and a \$2.0 million increase in prepaid expenses and other current assets. In addition, we also reported a \$36.0 million use of cash related to deferred income taxes primarily the result of the unrealized loss on the Cash Flow Swap and a \$28.8 million use of cash related to accrued income taxes primarily related to the tax benefit recorded for the projected taxable loss through September 30, 2007.

Net cash flows provided by operating activities for the nine months ended September 30, 2006 was \$97.9 million. The positive cash flow from operating activities during this period was primarily the result of strong operating earnings and favorable changes in other assets and liabilities offset by unfavorable changes in trade working capital and other working capital. Net income for the period was not indicative of the operating margins for the period. This was the result of the accounting treatment of our derivatives in general and more specifically, the Cash Flow Swap. We have determined that the Cash Flow Swap does not qualify as a hedge for hedge accounting purposes under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. Therefore, the net income for the nine months ended September 30, 2006 included both the realized losses and the unrealized gains on the Cash Flow Swap. Since the Cash Flow Swap had a significant term remaining as of September 30, 2006 (approximately three years and nine months years) and the NYMEX crack spread that is the basis for the underlying swaps had decreased during the period, the unrealized gains on the Cash Flow Swap increased our Net Income over this period. The impact of these unrealized gains on the Cash Flow Swap is apparent in the \$88.5 million decrease in the payable to swap counterparty. Trade working capital resulted in a use of cash of \$37.0 million during the nine

months ended September 30, 2006 as the decrease in accounts receivable of \$23.1 million was more than offset by increases in inventory of \$59.8 million and a decrease in accounts payable of \$0.3 million.

***Cash Flows Used in Investing Activities***

Net cash used in investing activities for the nine months ended September 30, 2007 was \$239.7 million compared to \$173.0 million for the nine months ended September 30, 2006. The increase in investing activities for the nine months ended September 30, 2007 as compared to the nine months ended September 30, 2006 was the result of increased capital expenditures associated with various capital projects in our Petroleum business.

***Cash Flows Provided by Financing Activities***

Net cash provided by financing activities for the nine months ended September 30, 2007 was \$63.6 million as compared to net cash provided by financing activities of \$48.5 million for the nine months ended September 30, 2006. The primary sources of cash for the nine months ended September 30, 2007 were obtained through net borrowings under the revolving credit facility of \$20.0 million and borrowings obtained from the \$25.0 million secured and the \$25.0 million unsecured credit facilities obtained to provide additional liquidity during the completion of our restoration efforts for the refinery and nitrogen operations as a result of the flood. During the nine months ended September 30, 2007, we also paid \$3.9 million of scheduled principal payments. For the nine months ended September 30, 2006, the primary sources of cash were the result of a \$20.0 million issuance of members' equity and \$30.0 million of delayed draw term loans both specifically generated to fund a portion of two discretionary capital expenditures at our Petroleum operations. During the nine months ended September 30, 2006, we also paid \$1.7 million of scheduled principal payments.

**Working Capital**

Working capital at September 30, 2007, was \$(27.0) million, consisting of \$576.3 million in current assets and \$603.3 million in current liabilities. Working capital at December 31, 2006, was \$112.3 million, consisting of \$342.5 million in current assets and \$230.2 million in current liabilities. In addition, we had available borrowing capacity under our 2007 Revolving Credit Facility of \$168.1 million at September 30, 2007.

**Letters of Credit**

Our revolving credit facility provides for the issuance of letters of credit. At September 30, 2007, there were \$36.9 million of irrevocable letters of credit outstanding, \$3.3 million in support of certain environmental obligators, \$30.6 million to secure transportation services for crude oil and \$3.0 million in support for surety bonds in place to support state and federal excise tax for refined fuels.

**Off-Balance Sheet Arrangements**

We had no off-balance sheet arrangements as of September 30, 2007.

**Critical Accounting Policies**

We prepare our consolidated financial statements in accordance with GAAP. In order to apply these principles, management must make judgments, assumptions and estimates based on the best available information at the time. Actual results may differ based on the accuracy of the information utilized and subsequent events. Our critical accounting policies, which are described below, could materially affect the amounts recorded in our financial statements.

**Derivative Instruments and Fair Value of Financial Instruments**

We use futures contracts, options, and forward contracts primarily to reduce exposure to changes in crude oil prices, finished goods product prices and interest rates to provide economic hedges of inventory positions and anticipated interest payments on long term-debt. Although management considers these derivatives economic hedges, the Cash Flow Swap and our other derivative instruments do not qualify as hedges for hedge accounting

purposes under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, and accordingly are recorded at fair value in the balance sheet. Changes in the fair value of these derivative instruments are recorded into earnings as a component of other income (expense) in the period of change. The estimated fair values of forward and swap contracts are based on quoted market prices and assumptions for the estimated forward yield curves of related commodities in periods when quoted market prices are unavailable. The Company recorded net gains (losses) from derivative instruments of \$44.7 million and \$(251.9) million in gain (loss) on derivatives for the nine months ended September 30, 2006 and 2007, respectively. Net gains from derivative instruments of \$171.2 million and \$40.5 million were recorded for the three months ended September 30, 2006 and 2007, respectively.

As of September 30, 2007, a \$1.00 change in quoted prices for the crack spreads utilized in the Cash Flow Swap would result in a \$48.5 million change to the fair value of derivative commodity position and the same change to net income.

#### **Environmental Expenditures**

Liabilities related to future remediation of contaminated properties are recognized when the related costs are considered probable and can be reasonably estimated. Estimates of these costs are based upon currently available facts, existing technology, site-specific costs, and currently enacted laws of regulations. In reporting environmental liabilities, no offset is made for potential recoveries. All liabilities are monitored and adjusted as new facts or changes in law or technology occur. Environmental expenditures are capitalized when such costs provide future economic benefits. Changes in laws, regulations or assumptions used in estimating these costs could have a material impact to our financial statements. The amount recorded for environmental obligations (exclusive of estimated obligations associated with the crude oil discharge) at September 30, 2007 totaled \$7.2 million, including \$1.6 million included in current liabilities. Additionally, at September 30, 2007, \$17.4 million was included in current liabilities for the estimated future remediation obligations arising from the crude oil discharge. This amount also included estimated obligations to settle third party property damage claims resulting from the crude oil discharge.

#### **Share-Based Compensation**

We estimated fair value of units for all applicable periods as described below.

For the year ended December 31, 2006 and the nine months ended September 30, 2006 and 2007, we account for share-based compensation in accordance with SFAS No. 123(R), *Share-Based Payments*. SFAS 123(R) requires that compensation costs relating to share-based payment transactions be recognized in a company's financial statements. SFAS 123(R) applies to transactions in which an entity exchanges its equity instruments for goods or services and also may apply to liabilities an entity incurs for goods or services that are based on the fair value of those equity instruments.

In accordance with SFAS 123(R), we apply a fair-value-based measurement method in accounting for share-based override units and phantom points. Override units are equity classified awards measured using the grant date fair value with compensation expense recognized over the respective vesting period. Phantom points are liability classified awards marked to market based on their fair value at the end of each reporting period with compensation expense recognized over the respective vesting period.

At June 24, 2005 an independent third party appraisal for the refinery and the nitrogen fertilizer plant were obtained. Additionally, an independent appraisal process occurred at that time, to value the management common units that were subject to redemption and our override value units, override operating units and phantom points. The Monte Carlo method of valuation was utilized to value the override operating units, override value units and phantom points that were issued on June 24, 2005.

In addition, an independent appraisal process occurs each reporting period in order to revalue the management common units and phantom points. The significant assumptions that are used each reporting period to value the phantom and performance service points are: (1) estimated forfeiture rate; (2) explicit service period or derived service period as applicable, (3) grant-date fair value — controlling basis; (4) marketability and minority interest discounts and (5) volatility.

For the independent valuations that occurred as of December 31, 2005, June 30, 2006 and September 30, 2006, a Binomial Option Pricing Model was utilized to value the phantom points. Probability-weighted values that were determined in this independent valuation process were discounted to determine the present value of the units. Prospective financial information is utilized in the valuation process. A discounted cash flow method, a variation of the income approach, and a guideline company method, which is a variation of a market approach is utilized to value the management common units.

A combination of a binomial model and a probability-weighted expected return method which utilizes the company's cash flow projections was utilized to value the additional override operating units and override value units that were issued on December 28, 2006. Additionally, this combination of a binomial model and probability-weighted expected return method was utilized to value the phantom points as of December 31, 2006, March 31, 2007, and June 30, 2007. Management believed that this method was preferable for the valuation of the override units and phantom points as it allowed a better integration of the cash flows with other inputs including the timing of potential exit events that impact the estimated fair value of the override units and phantom points.

At September 30, 2007, the management common units that were subject to redemption and the phantom points were revalued through an independent appraisal process based upon a calculation utilizing the initial public offering share price.

Assuming the price of the Company's common stock increases \$1.00, additional compensation expense of approximately \$2.2 million would be recognized over the vesting period for phantom points.

#### **Income Taxes**

Income tax expense is estimated based on the projected effective tax rate based upon future tax return filings. The amounts anticipated to be reported in those filings may change between the time the financial statements are prepared and the time the tax returns are filed. Further, because tax filings are subject to review by taxing authorities, there is also the risk that a position on a tax return may be challenged by a taxing authority. If the taxing authority is successful in asserting a position different than that taken by us, differences in a tax expense or between current and deferred tax items may arise in future periods. Any of these differences which could have a material impact on our financial statements would be reflected in the financial statements when management considers them probable of occurring and the amount reasonably estimable.

Valuation allowances reduce deferred tax assets to an amount that will more likely than not be realized. Managements' estimates of the realization of deferred tax assets are based on the information available at the time the financial statements are prepared and may include estimates of future income and other assumptions that are inherently uncertain. No valuation allowance is currently recorded, as we expect to realize our deferred tax assets.

#### **Consolidation of Variable Interest Entities**

In accordance with FASB Interpretation No. 46R, Consolidation of Variable Interest Entities, or FIN No. 46R, management has reviewed the terms associated with our current interests in the Partnership based upon the partnership agreement. Management has determined that the Partnership is treated as a variable interest entity ("VIE") and as such has evaluated the criteria under FIN 46R to determine that we are the primary beneficiary of the Partnership. FIN 46R requires the primary beneficiary of a variable interest entity's activities to consolidate the VIE. FIN 46R defines a variable interest entity as an entity in which the equity investors do not have substantive voting rights and where there is not sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. As the primary beneficiary, we absorb the majority of the expected losses and/or receive a majority of the expected residual returns of the VIE's activities.

We will need to reassess our investment in the Partnership from time to time to determine whether we are the primary beneficiary. If in the future we conclude that we are no longer the primary beneficiary, we will be required to deconsolidate the activities of the Partnership on a going forward basis. The interest would then be recorded using the equity method and the Partnership gross revenues, expenses, net income, assets and liabilities as such would not be included in our consolidated financial statements.

### Recent Accounting Developments

In February 2007, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 159, “*The Fair Value Option for Financial Assets and Financial Liabilities — Including an amendment of SFAS No. 115*” (“SFAS No. 159”), which provides companies with an option to report select financial assets and liabilities at fair value. This statement also establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities. SFAS No. 159 is effective as of the beginning of the 2008 fiscal year. We are in the process of evaluating the impact that adoption of SFAS No. 159 will have on our results of operations and financial condition.

In September 2006, the FASB issued SFAS No. 157, “*Fair Value Measurements*” (“SFAS No. 157”). This statement defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. SFAS No. 157 applies under other accounting pronouncements that require or permit fair value measurements and accordingly, does not require any new fair value measurements. SFAS No. 157 is effective as of the beginning of the 2008 fiscal year. We are in the process of evaluating the impact that adoption of SFAS No. 157 will have on our results of operations and financial condition.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

The risk inherent in our market risk sensitive instruments and positions is the potential loss from adverse changes in commodity prices and interest rates. None of our market risk sensitive instruments are held for trading.

#### Commodity Price Risk

Our petroleum business, as a manufacturer of refined petroleum products, and the nitrogen fertilizer business, as a manufacturer of nitrogen fertilizer products, all of which are commodities, have exposure to market pricing for products sold in the future. In order to realize value from our processing capacity, a positive spread between the cost of raw materials and the value of finished products must be achieved (i.e., gross margin or crack spread). The physical commodities that comprise our raw materials and finished goods are typically bought and sold at a spot or index price that can be highly variable.

We use a crude oil purchasing intermediary which allows us to take title and price of our crude oil at the refinery, as opposed to the crude origination point, reducing our risk associated with volatile commodity prices by shortening the commodity conversion cycle time. The commodity conversion cycle time refers to the time elapsed between raw material acquisition and the sale of finished goods. In addition, we seek to reduce the variability of commodity price exposure by engaging in hedging strategies and transactions that will serve to protect gross margins as forecasted in the annual operating plan. Accordingly, we use financial derivatives to economically hedge future cash flows (i.e., gross margin or crack spreads) and product inventories. With regard to our hedging activities, we may enter into, or have entered into, derivative instruments which serve to:

- Lock in or fix a percentage of the anticipated or planned gross margin in future periods when the derivative market offers commodity spreads that generate positive cash flows; and
- Hedge the value of inventories in excess of minimum required inventories.

Further, we intend to engage only in risk mitigating activities directly related to our business.

**Basis Risk.** The effectiveness of our derivative strategies is dependent upon the correlation of the price index utilized for the hedging activity and the cash or spot price of the physical commodity for which price risk is being mitigated. Basis risk is a term we use to define that relationship. Basis risk can exist due to several factors including time or location differences between the derivative instrument and the underlying physical commodity. Our selection of the appropriate index to utilize in a hedging strategy is a prime consideration in our basis risk exposure.

Examples of our basis risk exposure are as follows:

- Time Basis — In entering over-the counter swap agreements, the settlement price of the swap is typically the average price of the underlying commodity for a designated calendar period. This settlement price is based on the assumption that the underlying physical commodity will price ratably over the swap period. If the

commodity does not move ratably over the periods than weighted average physical prices will be weighted differently than the swap price as the result of timing.

- **Location Basis** — In hedging NYMEX crack spreads, we experience location basis as the settlement of NYMEX refined products (related more to New York Harbor cash markets) which may be different than the prices of refined products in our Group 3 pricing area.

**Price and Basis Risk Management Activities.** Our most prevalent risk management activity is to sell forward the crack spread when opportunities exist to lock in a margin sufficient to meet our cash obligations or our operating plan. Selling forward derivative contracts for which the underlying commodity is the crack spread enables us to lock in a margin on the spread between the price of crude oil and price of refined products. The commodity derivative contracts are either exchange-traded contracts in the form of futures contracts or over-the-counter contracts in the form of commodity price swaps.

In the event our inventories exceed our target base level of inventories, we may enter into commodity derivative contracts to manage our price exposure to our inventory positions that are in excess of our base level. Excess inventories are typically the result of plant operations such as a turnaround or other plant maintenance. The commodity derivative contracts are either exchange-traded contracts in the form of futures contracts or over-the-counter contracts in the form of commodity price swaps.

To reduce the basis risk between the price of products for Group 3 and that of the NYMEX associated with selling forward derivative contracts for NYMEX crack spreads, we may enter into basis swap positions to lock the price difference. If the difference between the price of products on the NYMEX and Group 3 (or some other price benchmark as we may deem appropriate) is different than the value contracted in the swap, then we will receive from or owe to the counterparty the difference on each unit of product contracted in the swap, thereby completing the locking of our margin. An example of our use of a basis swap is in the winter heating oil season. The risk associated with not hedging the basis when using NYMEX forward contracts to fix future margins is if the crack spread increases based on prices traded on NYMEX while Group 3 pricing remains flat or decreases then we would be in a position to lose money on the derivative position while not earning an offsetting additional margin on the physical position based on the Group 3 pricing.

As of September 30, 2007, a \$1.00 change in quoted futures price for the crack spreads described in the first bullet point would result in a \$48.5 million change to the fair value of the derivative commodity position and the same change in net income.

**Interest Rate Risk**

As of September 30, 2007, all of our \$821.1 million of outstanding term debt was at floating rates. An increase of 1.0% in the LIBOR rate would result in an increase in our interest expense of approximately \$8.3 million per year.

As of September 30, 2007, all of our \$20.0 million of outstanding revolving debt was at floating rates based on prime. If this amount remained outstanding for an entire year, an increase of 1.0% in the prime rate would result in an increase in our interest expense of approximately \$0.2 million per year.

In an effort to mitigate the interest rate risk highlighted above and as required under our then-existing first and second lien credit agreements, we entered into several interest rate swap agreements in 2005. These swap agreements were entered into with counterparties that we believe to be creditworthy. Under the swap agreements, we pay fixed rates and receive floating rates based on the three-month LIBOR rates, with payments calculated on the notional amounts set for in the table below. The interest rate swaps are settled quarterly and marked to market at each reporting date.

<u>Notional Amount</u>	<u>Effective Date</u>	<u>Termination Date</u>	<u>Fixed Rate</u>
\$325.0 million	6/29/07	3/30/08	4.195%
\$250.0 million	3/31/08	3/30/09	4.195%
\$180.0 million	3/31/09	3/30/10	4.195%
\$110.0 million	3/31/10	6/29/10	4.195%

We have determined that these interest rate swaps do not qualify as hedges for hedge accounting purposes. Therefore, changes in the fair value of these interest rate swaps are included in income in the period of change. Net realized and unrealized gains or losses are reflected in the gain (loss) for derivative activities at the end of each period. For the year ended December 31, 2006, we had \$3.7 million of realized and unrealized gains on these interest rate swaps and for the nine months ended September 30, 2007, we had \$1.4 million of realized and unrealized losses.

**Item 4. Controls and Procedures**

**(a) Evaluation of disclosure controls and procedures.**

Our management has evaluated, with the participation of our principal executive and principal financial officer, the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the period covered by this report, and has concluded that our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms.

**(c) Changes in internal control over financial reporting.**

There has been no change in our internal control over financial reporting (as described in Rule 13a-15(f) under the Exchange Act) that occurred during CVR's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**Part II. Other Information**

**Item 1. Legal Proceedings**

**(1) Class Action Suits**

As a result of the crude oil discharge on or about July 1, 2007, two putative class action lawsuits (one federal and one state) were filed against us and/or our subsidiaries in July 2007.

**(a) Federal Suit**

The federal suit, *Danny Dunham vs. Coffeyville Resources, LLC, et al.*, was filed in the United States District Court for the District of Kansas at Wichita (Case No. 07-CV-01186-JTM-DWB). Plaintiff's complaint alleged that the crude oil discharge resulted from our negligent operation of the refinery and that class members suffered unspecified damages, including damages to their personal and real property, diminished property value, lost full use and enjoyment of their property, lost or diminished business income and comprehensive remediation costs. The federal suit sought recovery under the federal Oil Pollution Act, Kansas statutory law imposing a duty of compensation on a party that releases any material detrimental to the soil or waters of Kansas, and the Kansas common law of negligence, trespass and nuisance. This suit was dismissed on November 6, 2007 for lack of subject matter jurisdiction. Under the Class Action Fairness Act of 2005, a court must decline jurisdiction if two-thirds or more of the members of all proposed plaintiff classes in the aggregate, and the primary defendants, are citizens of the state in which the action was originally filed. The suit was dismissed for lack of subject matter jurisdiction because the court determined that two-thirds or more of the members of all proposed plaintiff classes in the aggregate, and the primary defendants, were citizens of Kansas.

It is possible that the plaintiffs in the federal suit may appeal the dismissal in federal court or take other actions to continue their claims, in which case, we plan on vigorously defending against such claims. Due to the uncertainty of such claims, we are unable to estimate a range of possible loss at this time. Presently, we do not expect that the resolution of these claims will have a significant adverse effect on our business and results of operations.

**(b) State Suit**

The state suit, Western Plains Alliance, LLC and Western Plains Operations, LLC v. Coffeyville Resources Refining & Marketing, LLC, was filed in the District Court of Montgomery County, Kansas (case number 07CV991). This suit seeks class certification under applicable law. The proposed class consists of all persons and entities who own or have owned real property within the "contaminated area," and all businesses and/or other entities located within the "contaminated area." To date no class has yet been certified, and any class, if certified, may be broader, narrower, or different than the class currently proposed. The Court conducted an evidentiary hearing on the issue of class certification on October 24 and 25, 2007 and a decision on whether a class will be certified is expected in the near future.

The state suit alleges that the class has suffered damages, including damages to real and personal property, decreases in property values, decreases in business revenues, loss of the right to the full and exclusive use of real property, increased costs for maintenance and upkeep, and costs for monitoring, detection, management and removal of the crude oil. The suit asserts claims against us related to negligence, nuisance and trespass. The complaint also alleges that we have a duty under Kansas statutory law to compensate owners of property affected by the release or discharge of contamination. The suit seeks unspecified damages as well as injunctive relief requiring us to take such steps as are reasonably necessary to prevent the further migration of the crude oil and for the remediation and/or removal of the crude oil. We have filed an answer in the state suit denying any liability for negligence, nuisance and trespass, while acknowledging that plaintiffs' property damages and losses resulting from the oil release (but not from the flood) are properly compensable pursuant to Kansas state law if plaintiffs did not contribute to such contamination.

We intend to defend against the state suit vigorously. Due to the uncertainty of this suit, we are unable to estimate a range of possible loss at this time. Presently, we do not expect that the resolution of the state suit or both the state and federal suits will have a significant adverse effect on our business and results of operations.

**(2) EPA Administrative Order on Consent**

On July 10, 2007, we entered into an administrative order on consent (the "Consent Order") with the United States Environmental Protection Agency (the "EPA"). As set forth in the Consent Order, the EPA concluded that the discharge of oil from our refinery caused and may continue to cause an imminent and substantial threat to the public health and welfare. Pursuant to the Consent Order, we agreed to perform specified remedial actions to respond to the discharge of crude oil from our refinery.

**Item 1A. Risk Factors**

The Company has included "Risk Factors" as Exhibit 99.1 to this Form 10-Q.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

**Use of Proceeds**

On October 22, 2007 the SEC declared effective our registration statements on Form S-1 (Registration Nos. 333-137588) related to our sale of 23,000,000 shares of our common stock. On October 26, 2007, we completed an initial public offering of 23,000,000 shares at a price of \$19.00 per share for an aggregate offering price of approximately \$437.0 million. Of the aggregate gross proceeds, approximately \$11.4 million was used to pay offering expenses related to the initial public offering, and \$28.5 million was used to pay underwriting discounts and commissions. None of the expenses incurred and paid by us in this offering were direct or indirect payment (i) to our directors, officers, general partners or their associates, (ii) to persons owning 10% or more of any class of our equity securities, or (iii) to our affiliates. Net proceeds of the offering after payment of expenses and underwriting discounts and commission were approximately \$397.1 million.

The offering was made through an underwriting syndicate let by Goldman, Sachs & Col, Deutsch Bank Securities, Credit Suisse, and Simmons & Company International as joint book-running managers.



As of November 30, 2007, we used the net proceeds from the offering as follows:

- Payment of term debt of \$280.0 million and related interest of approximately \$5.7 million;
- Repayment of \$25 million under the unsecured credit facility and repayment of \$25.0 million under the secured facility including related interest of approximately \$2 million;
- Repayment of revolver borrowings of \$50.0 million;
- Payment of a \$5.0 termination fee to each of Goldman, Sachs & Co. and Kelso & Company, L.P. in connection with the termination of the management agreements in conjunction with the initial public offering; and
- \$1.2 million was used for general corporate purposes.

**Item 4. Submission of Matters to a Vote of Security Holders**

On October 16, 2007, our stockholders, consisting of Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC, consented to the following actions by written consent:

- The election of the current members of our board of directors, effective as of October 16, 2007;
- The adoption of our Amended and Restated Certificate of Incorporation, dated October 16, 2007, and our Amended and Restated By-Laws;
- The adoption of the CVR Energy, Inc. 2007 Long Term Incentive Plan;
- The grant of options to purchase 5,150 shares of our common stock to each of Messrs. Regis B. Lippert and Mark Tomkins;
- The grant of 5,000 shares of restricted stock to Mr. Lippert and the grant of 12,500 shares of restricted stock to Mr. Tomkins; and
- The grant of 50 shares of our common stock to 542 of our employees.

**Item 6. Exhibits**

<u>Number</u>	<u>Exhibit Title</u>
10.1	Amended and Restated Certificate of Incorporation of CVR Energy, Inc., dated October 16, 2007.
10.2	Amended and Restated By-Laws of CVR Energy, Inc.
10.3	Amended and Restated Recapitalization Agreement, dated as of October 16, 2007, by and among Coffeyville Acquisition LLC, Coffeyville Refining & Marketing Holdings, Inc., Coffeyville Refining & Marketing, Inc., Coffeyville Nitrogen Fertilizers, Inc. and CVR Energy, Inc.
10.4	First Amended and Restated Limited Partnership Agreement of CVR Partners, LP, dated as of October 24, 2007, by and among CVR GP, LLC, CVR Special GP, LLC and Coffeyville Resources, LLC.
10.5	Coke Supply Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC.
10.6	Cross Easement Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC.
10.7	Environmental Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC.
10.8	Feedstock and Shared Services Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC.
10.9	Raw Water and Facilities Sharing Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC.
10.10	Services Agreement, dated as of October 25, 2007, by and among CVR Partners, LP, CVR GP, LLC, CVR Special GP, LLC, and CVR Energy, Inc.

<u>Number</u>	<u>Exhibit Title</u>
10.11	Omnibus Agreement, dated as of October 24, 2007 by and among CVR Energy, Inc., CVR GP, LLC, CVR Special GP, LLC and CVR Partners, LP.
10.12	Coffeyville Resources, LLC Phantom Unit Appreciation Plan (Plan II).
10.13	CVR Energy, Inc. 2007 Long Term Incentive Plan.
10.14	Third Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition LLC, dated as of October 16, 2007.
10.15	Amendment No. 1 to the Third Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition LLC, dated as of October 24, 2007.
10.16	First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC, dated as of October 16, 2007.
10.17	Amendment No. 1 to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC, dated as of October 24, 2007.
10.18	Limited Liability Company Agreement of Coffeyville Acquisition III LLC, dated as of October 16, 2007.
10.19	Redemption Agreement, dated as of October 16, 2007, by and among Coffeyville Acquisition LLC and the Redeemed Parties signatory thereto.
10.20	Stockholders Agreement of CVR Energy, Inc., dated as of October 16, 2007, by and among CVR Energy, Inc., Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC.
10.21	Registration Rights Agreement, dated as of October 16, 2007, by and among CVR Energy, Inc., Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC.
10.22	Subscription Agreement, dated as of October 16, 2007, by and between CVR Energy, Inc. and John J. Lipinski.
10.23	Letter Agreement, dated as of October 24, 2007, by and among Coffeyville Acquisition LLC, Goldman, Sachs & Co. and Kelso & Company, L.P.
10.24	Registration Rights Agreement, dated as of October 24, 2007, by and among CVR Partners, LP, CVR Special GP, LLC and Coffeyville Resources, LLC.
10.25	CVR Partners, LP Profit Bonus Plan.
10.26	Contribution, Conveyance and Assumption Agreement, dated as of October 24, 2007, by and among Coffeyville Resources, LLC, CVR GP, LLC, CVR Special GP, LLC, and CVR Partners, LP.
10.27	Management Registration Rights Agreement, dated as of October 16, 2007, by and between CVR Energy, Inc. and John J. Lipinski.
10.28	Amendment Number 2 to Employment Agreement, dated as of October 16, 2007, by and between Coffeyville Resources, LLC and John J. Lipinski, Stanley A. Riemann, James T. Rens, Robert W. Haugen, and Wyatt E. Jernigan, respectively.
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.
99.1	Risk Factors.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, this sixth day of December 2007.

**CVR Energy, Inc.**

By: /s/ John J. Lipinski  
Chief Executive Officer  
(Principal Executive Officer)

By: /s/ James T. Rens  
Chief Financial Officer  
(Principal Financial Officer)

**AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
CVR ENERGY, INC.**

CVR Energy, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

- (a) The name of the Corporation is CVR Energy, Inc. The Corporation filed its original Certification of Incorporation with the Secretary of State of the State of Delaware pursuant to Section 102 of the Delaware General Corporation Law, as amended, (the "DGCL") on September 25, 2006.
- (b) This Amended and Restated Certificate of Incorporation, which amends and restates the original Certificate of Incorporation in its entirety, was duly adopted in accordance with Sections 242 and 245 of the DGCL.
- (c) The Amended and Restated Certificate of Incorporation of the Corporation shall read in its entirety:

**ARTICLE I**

Section 1.1. Name. The name of the Corporation is CVR Energy, Inc.

**ARTICLE II**

Section 2.1 Registered Office and Registered Agent. The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

**ARTICLE III**

Section 3.1 Purpose. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

**ARTICLE IV**

Section 4.1 Capitalization. The total number of shares of all classes of stock that the Corporation is authorized to issue is 400,000,000 shares, consisting of (i) 350,000,000 shares of common stock, par value \$0.01 per share (the "Common Stock") and (ii) 50,000,000 shares of preferred stock, par value \$0.01 per share (the "Preferred Stock"). The number of authorized shares of Common Stock or Preferred Stock may be increased or decreased (but not

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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 any of the Common Stock or the Preferred Stock voting separately as a class shall be required therefor.

Section 4.2 Preferred Stock. The Board of Directors is hereby expressly authorized, by resolution or resolutions, to provide, out of the unissued shares of Preferred Stock, for one or more series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

The powers, preferences and rights of any series of Preferred Stock may include, without limitation, (i) the distinctive serial designation of such series which shall distinguish it from other series, (ii) the number of shares included in such series, (iii) whether dividends will be payable to the holders of the shares of such series and, if so, the basis on which such holders shall be entitled to receive dividends, the form of such dividend, any conditions on which such dividends shall be payable and the date or dates, if any, on which such dividends shall be payable, (iv) whether dividends on the shares of such series shall be cumulative and, if so, the date or dates or method of determining the date or dates from which dividends on the shares of such series shall be cumulative, (v) the amount or amounts, if any, which shall be payable out of the assets of the Corporation to the holders of the shares of such series upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, and the relative rights of priority, if any, of payment of the shares of such series; (vi) the price or prices (in cash, securities or other property or a combination thereof) at which, the period or periods within which and the terms and conditions upon which the shares of such series may be redeemed, in whole or in part, at the option of the Corporation or at the option of the holder or holders thereof or upon the happening of a specified event or events, (vii) the obligation, if any, of the Corporation to purchase or redeem shares of such series pursuant to a sinking fund or otherwise, (viii) whether or not the shares of such series shall be convertible or exchangeable, at any time or times at the option of the holder or holders thereof or at the option of the Corporation or upon the happening of a specified event or events, into shares of any other class or classes or any other series of the same or any other class or classes of stock of the Corporation or any other series or property of the Corporation or any other entity, and the price or prices (in cash, securities or other property or a combination thereof) or rate or rates of conversion or exchange and any adjustments applicable thereto, (ix) whether or not the holders of the shares of such series shall have voting rights, in addition to the voting rights provided by law, and if so the terms of such voting rights, and (x) any other relative rights, powers, preferences and limitations of this series. For all purposes, this Certificate of Incorporation shall include each certificate of designations (if any) setting forth the terms of a series of Preferred Stock.

Section 4.3 Common Stock. (a) Dividends. Subject to the preferential rights, if any, of the holders of Preferred Stock, the holders of Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of the assets of the Corporation which are by law available therefor, dividends payable either in cash, in property or in shares of capital stock.

(b) Voting Rights. At every annual or special meeting of stockholders of the Corporation, every share of Common Stock shall entitle the holder thereof to one vote, in person or by proxy, for each share of Common Stock held of record on the books of the Corporation.

(c) Liquidation, Dissolution or Winding Up. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation (a "Liquidation"), after payment or provision for payment of the debts and other liabilities of the Corporation and of the preferential amounts, if any, to which the holders of Preferred Stock shall be entitled, the holders of all outstanding shares of Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution to holders of Common Stock ratably in proportion to the number of shares held by each such stockholder.

Section 4.4 Stock Split. Effective upon the filing of this Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, a 628,667.20-for-1 stock split of the Corporation's Common Stock shall become effective, pursuant to which each share of Common Stock outstanding or held in treasury immediately prior to such time shall automatically and without any action on the part of the holders thereof be reclassified and split into and thereafter represent 628,667.20 shares of Common Stock (the "Stock Split"). No fractional shares of Common Stock shall be issued upon the Stock Split. In lieu of any fractional shares of Common Stock to which the stockholder would otherwise be entitled upon the Stock Split, the Corporation shall pay cash equal to such fraction multiplied by the then fair market value of the Common Stock as determined by the Board of Directors. All certificates representing shares of Common Stock outstanding immediately prior to the filing of this Amended and Restated Certificate of Incorporation shall immediately after the filing of this Amended and Restated Certificate of Incorporation represent instead the number of shares of Common Stock as provided above. Notwithstanding the foregoing, any holder of Common Stock may (but shall not be required to) surrender his, her or its stock certificate or certificates to the Corporation, and upon such surrender the Corporation will issue a certificate for the correct number of shares of Common Stock to which the holder is entitled under the provisions of this Amended and Restated Certificate of Incorporation.

#### ARTICLE V

Section 5.1 Board of Directors. (a) Composition. The stockholders shall elect a board of directors (the "Board of Directors") to oversee the Corporation's business. The number of directors shall be fixed only by resolution adopted from time to time by the affirmative vote of a majority of the entire Board of Directors then in office.

(b) Powers. In addition to the powers and authority expressly conferred upon them by statute or by this Certificate of Incorporation or the by-laws of the Corporation, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject to the provisions of the statutes of the State of Delaware, this Certificate of Incorporation and the by-laws of the Corporation.

(c) Removal. Any director or the entire Board of Directors may be removed with or without cause by the affirmative vote of the majority of all shares then entitled to vote at an election of directors.

(d) Vacancies. Any newly created directorship on the Board of Directors that results from an increase in the authorized number of directors and any vacancy resulting from the death, disability, resignation, disqualification, or removal of any director or from any other cause shall be filled only by the affirmative vote of a majority of the Board of Directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy not resulting from an increase in the authorized number of directors shall have the same remaining term as that of his or her predecessor.

(e) Voting Rights of Preferred Stock. Notwithstanding the foregoing, whenever the holders of any one or more series of Preferred Stock issued by the Corporation shall have the right, voting separately as a series or separately as a class with one or more such other series, to elect directors at an annual or special meeting of stockholders, the election, term of office, removal, filling of vacancies and other features of such directorships shall be governed by the terms of this Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) applicable thereto.

#### ARTICLE VI

Section 6.1 Indemnification of Directors, Officers, Employees or Agents. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative in nature, including any appeal, by reason of the fact that such person (or a person of whom such person is the legal representative) is or was a director, officer, employee or agent of the Corporation or, while a director, officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, trustee, partner, member, employee, other fiduciary or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to employee benefit plans or public service or charitable organizations, whether the basis of such claim or proceeding is alleged actions or omissions in any such capacity or in any other capacity while serving as a director, officer, trustee, partner, member, employee, other fiduciary or agent thereof, may be indemnified and held harmless by the Corporation to the fullest extent permitted by the DGCL, against all expense and liability (including without limitation, attorneys' fees and disbursements, court costs, damages, fines, amounts paid or to be paid in settlement, and excise taxes or penalties) reasonably incurred or suffered by such person in connection therewith and such indemnification may continue as to a person who has ceased to be a director, officer, employee or agent of the Corporation and may inure to the benefit of such person's heirs,

executors and administrators. The Corporation, by provisions in its By-Laws or by agreement, may accord to any current or former director, officer, employee or agent of the Corporation the right to, or regulate the manner of providing to any current or former director, officer, employee or agent of the Corporation, indemnification to the fullest extent permitted by the DGCL.

Section 6.2 Advance of Expenses. The Corporation to the fullest extent permitted by the DGCL may advance to any person who is or was a director, officer, employee or agent of the Corporation (or to the legal representative thereof) any and all expenses (including, without limitation, attorneys fees and disbursements and court costs) reasonably incurred by such person in respect of any proceeding to which such person (or a person of whom such person is a legal representative) is made a party or threatened to be made a party by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or, while a director, officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, trustee, partner, member, employee, other fiduciary or agent of another corporation or a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to employee benefits plans or public service or charitable organizations; provided, however, that, to the extent the DGCL requires, the payment of such expenses in advance of the final disposition of the proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such person is not entitled to be indemnified against such expense under this Article VI or otherwise. The Corporation by provisions in its By-Laws or by agreement may accord any such person the right to, or regulate the manner of providing to any such person, such advancement of expenses to the fullest extent permitted by the DGCL.

Section 6.3 Non-Exclusivity of Rights. Any right to indemnification and advancement of expenses conferred as permitted by this Article VI shall not be deemed exclusive of any other right which any person may have or hereafter acquire under any statute (including the DGCL), any other provision of this Amended and Restated Certificate of Incorporation or the By-Laws of the Corporation, any agreement, any vote of stockholders or the Board of Directors or otherwise.

#### ARTICLE VII

Section 7.1. Insurance. The Corporation may purchase and maintain insurance to protect itself and any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of, or to represent the interests of, the Corporation or another corporation or a partnership, joint venture, limited liability company or trust or other enterprise, against any liability asserted 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.



## ARTICLE VIII

Section 8.1 Limited Liability of Directors. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit.

If the DGCL is amended to authorize corporation action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. Any repeal or modification of this Article VIII by the stockholders of the Corporation or otherwise shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

## ARTICLE IX

Section 9.1 Action by Written Consent. Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be effected only upon the vote of the stockholders at an annual or special meeting duly called and may not be effected by written consent of the stockholders, provided that such actions may be effected by written consent of the stockholders if Goldman, Sachs & Co., Kelso & Company and their respective affiliates (collectively, the "Sponsors") collectively beneficially own more than 35.0% of the outstanding shares of Common Stock.

## ARTICLE X

Section 10.1 Business Opportunities. To the fullest extent permitted by applicable law, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to any of the Sponsors or any of their respective officers, directors, agents, stockholders, members, partners, affiliates and subsidiaries (other than the Corporation and its subsidiaries), even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and such person shall have no duty to communicate or offer such corporate opportunity to the Corporation and, to the fullest extent permitted by applicable law, shall not be liable to the Corporation or any of its subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries unless, in the case of any such person who is a director or officer of the Corporation, such business opportunity is expressly offered to such director or officer in writing solely in his or her capacity as a director or officer of the Corporation. Any person purchasing or otherwise acquiring any interest in any shares of stock of the Corporation shall be deemed to have notice of and consented to the

provisions of this Article X. Neither the alteration, amendment or repeal of this Article X nor the adoption of any provision of this Amended and Restated Certificate of Incorporation inconsistent with this Article X shall eliminate or reduce the effect of this Article X in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article X, would accrue or arise, prior to such alteration, amendment, repeal or adoption.

#### ARTICLE XI

Section 11.1 Section 203 of the DGCL. Section 203 of the DGCL shall not apply to the Corporation.

#### ARTICLE XII

Section 12.1 By-Laws. The Board of Directors is expressly authorized to adopt, amend, or repeal the By-Laws of the Corporation without the assent or vote of the stockholders, in any manner not inconsistent with the laws of the State of Delaware or this Amended and Restated Certificate of Incorporation of the Corporation.

#### ARTICLE XIII

Section 13.1 Reservation of Right to Amend Certificate of Incorporation. The Corporation reserves the right to amend, alter, change, or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

#### ARTICLE XIV

Section 14.1 Severability. If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law).

\* \* \*

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of October, 2007, and I affirm that the foregoing certificate is my act and deed and that the facts stated therein are true.

CVR Energy, Inc.

By: /s/ Edmund S. Gross

Name: Edmund S. Gross

Title: Senior Vice President, General Counsel  
and Secretary

-8-

**AMENDED AND RESTATED**  
**BY-LAWS**  
**OF**  
**CVR ENERGY, INC.**  
ARTICLE I  
Offices

SECTION 1. Registered Office. The registered office of the Corporation within the State of Delaware shall be in the City of Wilmington, County of New Castle.

SECTION 2. Other Offices. The Corporation may also have an office or offices other than said registered office at such place or places, either within or without the State of Delaware, as the Board of Directors shall from time to time determine or the business of the Corporation may require.

SECTION 3. Books. The books of the Corporation may be kept within or without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II  
Meetings of Stockholders

SECTION 1. Place of Meetings. All meetings of the stockholders for the election of directors or for any other purpose shall be held at any such place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

SECTION 2. Annual Meeting. The annual meeting of stockholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of meeting. At each annual meeting, the stockholders entitled to vote shall elect a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Special Meetings. Special meetings of stockholders may be called at any time only by the Board of Directors pursuant to a resolution adopted by the affirmative vote of a majority of the Board of Directors then in office or by the Chairman of the Board of Directors; provided, that, if Goldman, Sachs & Co., Kelso & Company and their respective affiliates (collectively, the "Sponsors") collectively beneficially own 50.0% or more of the outstanding shares of the Corporation's common stock, directly or indirectly, then special

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meetings of the stockholders also may be called by holders of not less than 25.0% of the outstanding shares of the Corporation's common stock.

SECTION 4. Notice of Meetings. Written notice of each annual and special meeting of stockholders stating the date, place and time of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each stockholder of record entitled to vote at the meeting at such address as appears on the records of the Corporation not less than ten nor more than sixty days before the date of the meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Notice of any meeting shall not be required to be given to (i) any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called or convened or (ii) any person who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

SECTION 5. List of Stockholders. A complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order (for each class of stock), showing the address of and the number of shares registered in the name of each stockholder shall be open to the examination of any such stockholder for a period of at least ten days prior to the meeting in the manner provided by law. The stockholder list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

SECTION 6. Quorum, Adjournments. Stockholders holding a majority of the shares of the Corporation entitled to vote, present in person or by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Amended and Restated Certificate of Incorporation or by these By-Laws. If, however, such quorum shall not be present at any meeting of stockholders, a majority in interest of stockholders entitled to vote thereat, present in person or by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such later or rescheduled meeting at which the requisite amount of shares entitled to vote shall be represented, any business may be transacted which might have been transacted at the meeting as originally called.

SECTION 7. Organization. At each meeting of stockholders, the Chairman of the Board of Directors, or such person as the Chairman of the Board of Directors may have designated, or, in his or her absence, the Chief Executive Officer or, in his or her absence, such person as the Board of Directors may have designated shall act as chairman of the meeting. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting shall act as secretary of the meeting and keep the minutes thereof.

SECTION 8. Conduct of Business. The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seems to him or her in order.

SECTION 9. Voting. Except as otherwise provided by statute or the Amended and Restated Certificate of Incorporation, at all meetings of the stockholders, each stockholder entitled to vote under the Amended and Restated Certificate of Incorporation and these By-Laws shall be entitled to one vote, in person or by proxy, for each share of voting stock owned by such stockholder of record on the record date for the meeting. Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact, but no proxy shall be voted after three years from its date, unless the proxy provides for a longer period. When a quorum is present or represented at any meeting, the vote of the holders of a plurality of the stock having voting power present in person or represented by proxy shall decide any election for directors, and the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any other question brought before such meeting, unless the question is one upon which, by express provision of law, of the Corporation's Amended and Restated Certificate of Incorporation (as the same may be amended), or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

SECTION 10. Notice of Stockholder Business and Nominations. To be properly brought before an annual meeting or special meeting, nominations of persons for election to the Board of Directors or other business must be (A) specified in the notice of meeting given by or at the direction of the Board of Directors; (B) otherwise properly brought before the meeting by or at the direction of the Board of Directors; or (C) otherwise properly brought before the meeting by a stockholder.

(a) (i) Annual Meetings of Stockholders. For nominations or other business to be properly brought before an annual meeting by a stockholder (A) the stockholder must have given timely notice thereof in writing to the Secretary; (B) the subject matter thereof must be a matter which is a proper subject matter for stockholder action at such meeting; and (C) the stockholder must be a stockholder of record of the Corporation at the time the notice required by this Section is delivered to the Corporation and must be entitled to vote at the meeting.

(ii) Except as otherwise provided in the Amended and Restated Certificate of Incorporation, to be considered timely notice, a stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation not less than 120 calendar days before the date of the Corporation's proxy statement released to stockholders in connection with the previous year's annual meeting of stockholders. If no annual meeting was held in the previous year, or if the date of the applicable annual meeting has been changed by more than 30 days from the date of the previous year's annual meeting, then a stockholder's notice, in order to be considered timely, must be received by the Secretary not later than the later of the close of business on the 90th day prior to such annual meeting or the tenth day following the day on which notice of the date of the annual meeting was mailed or public disclosure of such date was made.

Such stockholder's notice shall set forth: (A) as to each person whom the stockholder proposes to nominate for election as a director, (1) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case in accordance with Regulation 14A under the Securities Exchange Act of 1934 (the "Exchange Act") and such other information as may be required by the Corporation pursuant to any policy of the Corporation governing the selection of directors; and (2) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (B) as to any business the stockholder proposes to bring before the meeting, (1) a brief description of such business; (2) the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the Bylaws, the language of the proposed amendment); (3) the reasons for conducting such business at the meeting; and (4) any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal or nomination is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal or nomination is made, (1) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner; (2) the class and number of shares of the Corporation that are owned beneficially and held of record by such stockholder and such beneficial owner; (3) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination; and (4) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (x) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding shares of capital stock required to approve or adopt the proposal or elect the nominee; and/or (y) otherwise to solicit proxies from stockholders in support of such proposal or nomination.

The foregoing notice requirements shall be deemed satisfied by a stockholder if the stockholder has notified the Corporation of his or her intention to present a proposal or nomination at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal or nomination has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation. In addition, a stockholder seeking to bring an item of business before the annual meeting shall promptly provide any other information reasonably requested by the Corporation.

(iii) Notwithstanding anything in paragraph (a)(ii) to the contrary, in the event that the number of directors to be elected to the Board of Directors at an annual meeting is increased and there is no public announcement by the Corporation naming the nominees for the additional directorships at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the Corporation.

(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 of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors; or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section is delivered to the Secretary, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 10.

(c) (i) General. Notwithstanding the foregoing provisions of this Section 10, a stockholder who seeks to have any proposal included in the Corporation's proxy materials must provide notice as required by and otherwise comply with the applicable requirements of the rules and regulations under the Exchange Act. Nothing in this Section 10 shall be deemed to affect any rights (a) of stockholders to request inclusion of proposals or nominations in the Corporation's proxy statement pursuant to applicable rules and regulations promulgated under the Exchange Act; or (b) of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation.

(ii) The chairman of an annual meeting shall determine all matters relating to the conduct of the meeting, including, but not limited to, determining whether any nomination or item of business has been properly brought before the meeting in accordance with these Bylaws (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by clause (a)(ii)(C)(4) of this Section), and if the chairman should so determine and declare that any nomination or item of business has not been properly brought before an annual or special meeting, then such business shall not be transacted at such meeting and such nomination shall be disregarded.

(iii) Notwithstanding the foregoing provisions of this Section 10, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or item of business, such proposed business shall not be transacted and such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

SECTION 11. Action by Consent. As long as the Sponsors collectively beneficially own more than 35.0% of the outstanding shares of Common Stock, then any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares 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. If the Sponsors collectively beneficially own 35.0% or less of the outstanding shares of Common Stock, then any action required or permitted to be taken at any annual or special meeting of stockholders of the



Corporation may be taken only upon the vote of the stockholders at an annual or special meeting duly called and may not be taken by written consent of the stockholders.

SECTION 12. Inspectors. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting may, or if inspectors shall not have been appointed, the chairman of the meeting may, appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

### ARTICLE III

#### Board of Directors

SECTION 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

SECTION 2. Number. The Board of Directors shall initially consist of eight (8) directors, and thereafter shall be not less than three (3) nor more than fifteen (15) directors, the exact number of which shall be fixed, from time to time, by resolution adopted by the affirmative vote of a majority of the entire Board of Directors then in office. Directors need not be stockholders.

SECTION 3. Election and Term. Except as otherwise provided by statute, the Amended and Restated Certificate of Incorporation, or these By-Laws, the directors (other than members of the initial Board of Directors) shall be elected at the annual meeting of stockholders. Each director shall hold office for a term of one year or until his successor shall have been elected and qualified, subject to such director's earlier death, resignation or removal, as hereinafter provided in these By-Laws or the Amended and Restated Certificate of Incorporation.

SECTION 4. Resignations. Any director of the Corporation may resign at any time by giving written notice of his or her resignation to the Corporation. Any such resignation

shall be made in writing and shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5. Removal of Directors. Any director may be removed in the manner provided in and to the extent permitted under the Amended and Restated Certificate of Incorporation.

SECTION 6. Vacancies. Any vacancy in the Board of Directors, however resulting, may be filled in the manner provided in and to the extent permitted under the Amended and Restated Certificate of Incorporation.

SECTION 7. Place of Meetings. Meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix or as may be specified in a notice of meeting. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be held at any time upon the call by the Chairman of the Board of Directors, the Chief Executive Officer, two or more directors of the Corporation, or by one director in the event that there is only a single director in office.

SECTION 10. Notice of Meetings. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws. Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given at least one business day before each special meeting, in writing or orally (either in person or by telephone), including the time, date and place of the meeting; provided that notice of any meeting need not be given to any Director who shall be present at such meeting (in person or by telephone) or who shall waive notice thereof in writing either before or after such meeting. Neither notice of a meeting nor a waiver of a notice need specify the purposes of the meeting.

SECTION 11. Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting until such quorum is present, and no further notice thereof need be given other than by announcement at the meeting which shall be so adjourned. All matters shall be determined by the vote of a majority of the total number of directors present at such meeting at which there is a quorum, except as otherwise provided in the Amended and Restated Certificate of Incorporation or these Bylaws or as required by law.

SECTION 12. Organization. At each meeting of the Board of Directors, the Chairman of the Board, if one has been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the Chief Executive Officer (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the chairman, shall act as secretary of the meeting and keep the minutes thereof.

SECTION 13. Compensation. The Board of Directors shall have authority to fix or establish policies for the compensation, including fees and reimbursement of expenses, for services provided by directors to the Corporation.

SECTION 14. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Except to the extent restricted by statute or the Certificate of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors; but no such committee shall have the power or authority to (i) approve, adopt or recommend to the stockholders any action or matter expressly required by Delaware law to be submitted to the stockholders for approval or (ii) adopt, amend or repeal any By-Law of the Corporation. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

SECTION 15. Action by Consent. Unless restricted by the Amended and Restated Certificate of Incorporation or these By-Laws, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

SECTION 16. Telephonic Meeting. Any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference call or using any communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

#### ARTICLE IV

##### Officers

SECTION 1. Number and Qualifications. The officers of the Corporation shall be elected by the Board of Directors and shall include a Chief Executive Officer, a President, one or more Vice Presidents, and a Secretary. The Board of Directors may also select other officers as it may deem to be necessary or appropriate, including a Chairman, a Chief Operating Officer, a Chief Financial Officer, a Chief Accounting Officer, a General Counsel, a Treasurer, one or

more Assistant Secretaries and one or more Assistant Treasurers. Any two or more offices may be held by the same person, and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected, or until his death, or until he shall have resigned or have been removed, as hereinafter provided in these By-Laws.

SECTION 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall be made in writing and shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

SECTION 3. Removal. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors at any time.

SECTION 4. Chairman of the Board. The Chairman of the Board, if one is elected, shall preside at meetings of the Board of Directors or the stockholders. The Chairman shall have the powers and duties customarily and usually associated with the office of the Chairman of the Board of Directors and shall perform such other duties as from time to time may be assigned to him or her by the Board of Directors. The same individual may serve as both Chairman of the Board and Chief Executive Officer.

SECTION 5. Chief Executive Officer. The Chief Executive Officer shall, in the absence of the Chairman of the Board, if available and present, preside at each meeting of the Board of Directors or the stockholders. The Chief Executive Officer shall have the powers and duties customarily and usually associated with the position of Chief Executive Officer and such other powers and duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. President. The President shall have the powers and duties customarily and usually associated with the office of the President and such other powers and duties as may from time to time be assigned to him by the Board of Directors. The Chairman of the Board, Chief Executive Officer and the President may be the same person.

SECTION 7. Vice-President. Each Vice-President shall have such powers and perform such duties as may from time to time be assigned to him or her by the Board of Directors. The Board of Directors may name Executive Vice Presidents or Senior Vice Presidents or otherwise establish different categories of vice presidents.

SECTION 8. Secretary. The Secretary shall have the powers and duties as are customarily and usually associated with the position of Secretary or as may from time to time be assigned to him by the Board of Directors, the Chairman of the Board of Directors or the Chief Executive Officer.

SECTION 9. General Counsel. The General Counsel shall have the powers and duties customarily and usually associated with the office of the General Counsel and such other powers and duties as may from time to time be assigned to him by the Board of Directors.

SECTION 10. Other Officers. The Chief Operating Officer, Chief Financial Officer, Chief Accounting Officer, Treasurer, Assistant Secretaries and Assistant Treasurers, if any, any other officers shall perform such duties as from time to time may be assigned by the Board of Directors.

## ARTICLE V

### Capital Stock

SECTION 1. Issuance of Stock. Unless otherwise voted by stockholders and subject to the provisions of the Certificate of Incorporation, the whole or any part of any unissued balance of the authorized capital stock of the Corporation or the whole or any part of any unissued balance of the authorized capital stock of the Corporation held in its treasury may be issued, sold, transferred or otherwise disposed of by vote of the Board of Directors in such manner, for such consideration and on such terms as the Board of Directors may determine.

SECTION 2. Stock Certificates. The stock of the Corporation shall be represented by certificates, provided that the Board of Directors of the Corporation 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. Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of the Corporation by the Chairman of the Board, or the President or Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation.

SECTION 3. Facsimile Signatures. Any or all of the signatures on a 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, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

SECTION 4. Lost Certificates. No certificate for shares of stock in the Corporation shall be issued in place of any certificate alleged to have been lost, stolen or destroyed, except upon production of such evidence of such loss, theft or destruction and upon delivery to the Corporation of a bond of indemnity in such amount, upon such terms and secured by such surety, as the Board of Directors in its discretion may require.

SECTION 5. Transfers of Stock. Transfers of stock shall be made on the books of the Corporation by the holder of the shares in person or by such holder's attorney upon surrender and cancellation of certificates for a like number of shares, or as otherwise provided by law with respect to uncertificated shares.

SECTION 6. Fixing the Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting (to the extent permitted by the Certificate of Incorporation and By-Laws), or entitled to receive

payment of any dividend or other distribution or allotment of any rights, or 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 of Directors may establish, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action.

If no record date is fixed, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day before the day on which notice is given, or, if notice is waived, at the close of business on the day before the day on which the meeting is held. The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating to such purpose.

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 of Directors may fix a new record date for the adjourned meeting.

SECTION 7. Registered Stockholders. The names and addresses of the holders of record of the shares of stock of the Corporation's capital, together with the number of shares of each class and series held by each record holder and the date of issue of such shares, shall be entered on the books of the Corporation. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock as the person entitled to exercise the rights of a stockholder, including to receive dividends and to vote as such owner. The Corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

SECTION 8. Dividends. Subject to applicable law and the Certificate of Incorporation, the Board of Directors may, out of funds legally available therefor at any regular or special meeting, declare dividends upon the capital stock of the Corporation as and when it deems expedient. Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation. Before declaring any dividend there may be set apart out of any funds of the Corporation available for dividends, such sum or sums as the directors from time to time in their discretion deem proper for working capital or as a reserve fund to meet contingencies or for equalizing dividends or for such other purposes as the directors shall deem conducive to the interests of the Corporation.

SECTION 9. Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

SECTION 10. Regulations. The Board of Directors may make such additional rules and regulations, not inconsistent with these By-Laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock or with respect to uncertificated shares of stock of the Corporation.

ARTICLE VI  
Indemnification

SECTION 1. Indemnification Respecting Third Party Claims.

(a) Indemnification of Directors and Officers. To the fullest extent permitted and in the manner required by the laws of the State of Delaware as in effect from time to time, the Corporation shall indemnify in accordance with the following provisions of this Article VI any person who was or is made a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (including any appeal thereof), whether civil, criminal, administrative, regulatory or investigative in nature (other than an action by or in the right of the Corporation), by reason of the fact that such person is or was a director or officer of the Corporation, or, if at a time when he or she was a director or officer of the Corporation, is or was serving at the request of, or to represent the interests of, the Corporation as a director, officer, partner, member, trustee, fiduciary, employee or agent (a "Subsidiary Officer") of another corporation, partnership, joint venture, limited liability company, trust, employee benefit plan or other enterprise including any charitable or not-for-profit public service organization or trade association (an "Affiliated Entity"), against expenses (including attorneys' fees and disbursements), costs, judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person 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 reasonable cause to believe his or her conduct was unlawful; provided, however, that (i) the Corporation shall not be obligated to indemnify a director or officer of the Corporation or a Subsidiary Officer of any Affiliated Entity against expenses incurred in connection with an action, suit, proceeding or investigation to which such person is threatened to be made a party but does not become a party unless such expenses were incurred with the approval of the Board of Directors, a committee thereof or the Chairman or the Chief Executive Officer of the Corporation and (ii) the Corporation shall not be obligated to indemnify against any amount paid in settlement unless the Corporation has consented to such settlement. The termination of any action, suit or proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, that such person had reasonable cause to believe that his or her conduct was unlawful. Notwithstanding anything to the contrary in the foregoing provisions of this paragraph, a person shall not be entitled, as a matter of right, to indemnification pursuant to this paragraph against costs or expenses incurred in connection with any action, suit or proceeding commenced by such person against the Corporation or any Affiliated Entity or any person who is or was a director, officer, partner, member, fiduciary, employee or agent of the Corporation or a Subsidiary Officer of any Affiliated Entity in their capacity as such, but such indemnification may be provided by the Corporation in a specific case as permitted by Section 6 of this Article.

(b) Indemnification of Employees and Agents. The Corporation may indemnify any employee or agent of the Corporation in the manner and to the same or a lesser extent that it shall indemnify any director or officer under paragraph (a) above in this Section 1.

SECTION 2. Indemnification Respecting Derivative Claims.

(a) Indemnification of Directors and Officers. To the fullest extent permitted and in the manner required by the laws of the State of Delaware as in effect from time to time, the Corporation shall indemnify, in accordance with the following provisions of this Article, any person who was or is made a party to or is threatened to be made a party to any threatened, pending or completed action or suit (including any appeal thereof) brought by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Corporation, or, if at a time when he or she was a director or officer to the Corporation, is or was serving at the request of, or to represent the interests of, the Corporation as a Subsidiary Officer of an Affiliated Entity against expenses (including attorneys' fees and disbursements) and costs actually and reasonably incurred by such person in connection with such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless, and only to the extent that, the Court of Chancery of the State of Delaware or the court in which such judgment was rendered shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses and costs as the Court of Chancery of the State of Delaware or such other court shall deem proper; provided, however, that the Corporation shall not be obligated to indemnify a director or officer of the Corporation or a Subsidiary Officer of any Affiliated Entity against expenses incurred in connection with an action or suit to which such person is threatened to be made a party but does not become a party unless such expenses were incurred with the approval of the Board of Directors, a committee thereof, or the Chairman or the Chief Executive Officer of the Corporation. Notwithstanding anything to the contrary in the foregoing provisions of this paragraph, a person shall not be entitled, as a matter of right, to indemnification pursuant to this paragraph against costs and expenses incurred in connection with any action or suit in the right of the Corporation commenced by such Person, but such indemnification may be provided by the Corporation in any specific case as permitted by Section 6 of this Article VI.

(b) Indemnification of Employees and Agents. The Corporation may indemnify any employee or agent of the Corporation in the manner and to the same or a lesser extent that it shall indemnify any director or officer under paragraph (a) above in this Section 2.

SECTION 3. Indemnification in Certain Cases.

(a) Indemnification Upon Successful Defense. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in any of paragraphs (a) or (b) in Sections 1 and 2 of this Article VI, or in defense of any claim, issue or matter therein, he shall be



indemnified against expenses (including attorneys' fees and disbursements) actually and reasonably incurred by him in connection therewith.

(b) Indemnification for Service As a Witness. To the extent any person who is or was a director or officer of the Corporation has served or prepared to serve as a witness in any action, suit or proceeding (whether civil, criminal, administrative, regulatory or investigative in nature), including any investigation by any legislative body or any regulatory or self-regulatory body by which the Corporation's business is regulated, by reason of his or her services as a director or officer of the Corporation or his or her service as a Subsidiary Officer of an Affiliated Entity at a time when he or she was a director or officer of the Corporation (assuming such person is or was serving at the request of, or to represent the interests of, the Corporation as a Subsidiary Officer of such Affiliated Entity) but excluding service as a witness in an action or suit commenced by such person, the Corporation shall indemnify such person against out-of-pocket costs and expenses (including attorneys' fees and disbursements) actually and reasonably incurred by such person in connection therewith and shall use its best efforts to provide such indemnity within 45 days after receipt by the Corporation from such person of a statement requesting such indemnification, averring such service and reasonably evidencing such expenses and costs; it being understood, however, that the Corporation shall have no obligation under this Article VI to compensate such person for such person's time or efforts so expended. The Corporation may indemnify any employee or agent of the Corporation to the same or a lesser extent as it may indemnify any director or officer of the Corporation pursuant to the foregoing sentence of this paragraph.

SECTION 4. Procedure. Any indemnification under Sections 1 and 2 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because such person has met the applicable standard of conduct set forth in such Sections 1 and 2. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding in respect of which indemnification is sought or by majority vote of the members of a committee of the Board of Directors composed of at least three members each of whom is not a party to such action, suit or proceeding, or (b) if such a quorum is not obtainable and/or such a committee is not established or obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders entitled to vote thereon. In the event a request for indemnification is made by any person referred to in paragraph (a) of Section 1 or 2 of this Article VI, the Corporation shall use its best efforts to cause such determination to be made not later than 90 days after such request is made.

SECTION 5. Advances for Expenses.

(a) Advances to Directors and Officers. Expenses and costs, incurred by any person referred to in paragraph (a) of Section 1 or 2 of this Article VI in defending a civil, criminal, administrative, regulatory or investigative action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking in writing by or on behalf of such person to repay such amount if it shall

ultimately be determined that such person is not entitled to be indemnified in respect of such costs and expenses by the Corporation as authorized by this Article.

(b) Advances to Employees and Agents. Expenses and costs incurred by any person referred to in paragraph (b) of Section 1 or 2 of this Article VI in defending a civil, criminal, administrative, regulatory or investigative action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors, a committee thereof or an officer of the Corporation authorized to so act by the Board of Directors upon receipt of an undertaking in writing by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation in respect of such costs and expenses as authorized by this Article VI.

SECTION 6. Rights Not Exclusive. The provision of indemnification to or the advancement of expenses and costs to any person under this Article, or the entitlement of any person to indemnification or advancement of expenses and costs under this Article, shall not limit or restrict in any way the power of the Corporation to indemnify or advance expenses and costs to such person in any other way permitted by law or be deemed exclusive of, or invalidate, any right to which any person seeking indemnification or advancement of expenses and costs may be entitled under any law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's capacity as an officer, director, employee or agent of the Corporation and as to action in any other capacity.

SECTION 7. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of, or to represent the interests of, the Corporation as a Subsidiary Officer of any Affiliated Entity, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VI or applicable law.

SECTION 8. Definitions of Certain Terms. For purposes of this Article VI, (i) references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed into the Corporation in a consolidation or merger if such corporation would have been permitted (if its corporate existence had continued) under applicable law to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request, or to represent the interests of, such constituent corporation as a director, officer, employee or agent of any Affiliated Entity shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued; (ii) references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; (iii) references to "serving at the request of the Corporation" shall include any service as a director, officer, partner, member, trustee, fiduciary, employee or agent of the Corporation or any Affiliated Entity which service imposes duties on, or involves services by, such director, officer, partner, member, trustee, fiduciary, employee or

agent with respect to an employee benefit plan, its participants, or beneficiaries and (iv) 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" as referred to in this Article VI.

SECTION 9. Accrual of Claims; Survival of Rights. The indemnification provided or permitted under the foregoing provisions of this Article VI shall or may, as the case may be, apply in respect of any expense, cost, judgment, fine, penalty or amount paid in settlement, whether or not the claim or cause of action in respect thereof accrued or arose before or after the effective date of such provisions of this Article VI. The indemnification and advancement of expenses provided by, or granted pursuant to this Article VI shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 10. Corporate Obligations; Reliance. The provisions of this Article VI shall be deemed to create a binding obligation on the part of the Corporation to the persons who from time to time are elected officers or directors of the Corporation, and such persons in acting in their capacities as officers or directors of the Corporation or Subsidiary Officers of any Affiliated Entity shall be entitled to rely on such provisions of this Article, without giving notice thereof to the Corporation.

## ARTICLE VII

### General Provisions

SECTION 1. Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

SECTION 2. Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

SECTION 3. Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

SECTION 4. Execution of Contracts. The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation, to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

SECTION 5. Certificate of Incorporation. All references in these By-Laws to the Certificate of Incorporation or the Amended and Restated Certificate of Incorporation shall be deemed to refer to the Amended and Restated Certificate of Incorporation of the Corporation, as amended or restated and in effect from time to time.

SECTION 6. Evidence of Authority. A certificate by the Secretary or any Assistant Secretary as to any action taken by the stockholders, directors, a committee or any officer or representative of the Corporation shall, as to all persons who rely on the certificate in good faith, be conclusive evidence of such action.

SECTION 7. Severability and Inconsistency. Any determination that any provision of these By-Laws is for any reason inapplicable, illegal or ineffective shall not affect or invalidate any other provision of these By-Laws. In the event that any provision of these By-Laws is or becomes inconsistent with any provision of the Amended and Restated Certificate of Incorporation, the General Corporation Laws of the State of Delaware or any other applicable law, the provision of these By-Laws shall not be given any effect to the extent of such inconsistency, but shall otherwise be given full force and effect.

SECTION 8. Notice and Waiver of Notice. Whenever any notice is required by these By-Laws to be given to the stockholders, personal notice is not meant unless expressly so stated, and any notice so required shall be deemed to be sufficient if made in the manner prescribed by these By-Laws or if given by depositing the same in the United States mail, postage prepaid, addressed to the person entitled thereto at his or her address as it appears on the records of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Stockholders not entitled to vote shall not be entitled to receive notice of any meetings except as otherwise required by law.

Whenever any notice whatever is required to be given under the provisions of any law, or under the provisions of the Amended and Restated Certificate of Incorporation of the Corporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

SECTION 9. Voting of Stock in Other Corporations. Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board, the Chief Executive Officer, the Chief Operating Officer or the Chief Financial Officer, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose shares or securities may be held by the Corporation, at meetings of the holders of the shares or other securities of such other corporation.

## ARTICLE VIII

### Amendments

These By-Laws may be amended or repealed or new by-laws adopted (a) if the Amended and Restated Certificate of Incorporation so provides, by the affirmative vote of a majority of the directors present at any regular or special meeting of the Board of Directors at which a quorum is present, or (b) by the affirmative vote of the holders of a majority of the stock issued and outstanding and entitled to vote at any annual or special meeting of stockholders.

Approved and adopted as of October 16, 2007

*[Amended and Restated By-Laws of CVR Energy, Inc.]*

**AMENDED AND RESTATED RECAPITALIZATION AGREEMENT**

This AMENDED AND RESTATED RECAPITALIZATION AGREEMENT (the "Agreement") is made as of October 16, 2007, by and among Coffeyville Acquisition LLC, a Delaware limited liability company (the "Company"), Coffeyville Refining & Marketing Holdings, Inc., a Delaware corporation ("CRMH"), Coffeyville Refining & Marketing, Inc., a Delaware corporation ("CRM"), Coffeyville Nitrogen Fertilizers, Inc., a Delaware corporation ("CNF"), and CVR Energy, Inc., a Delaware corporation ("CVR"), and together with the Company, CRMH, CRM and CNF, the "Parties").

**WHEREAS**, on September 25, 2006, the Company, CVR, CRM, and CNF entered into that certain Recapitalization Agreement (the "Initial Recapitalization Agreement") for purposes of causing a recapitalization (the "Recapitalization") in order to effect the consummation of an initial public offering of CVR's common stock (the "IPO"); and

**WHEREAS**, the Parties desire to amend and restate the Initial Recapitalization Agreement in its entirety and to enter into this Agreement in order to provide for, among other things, the merger of a wholly owned direct subsidiary of CVR with and into CRMH, which shall cause CRMH to be a wholly owned direct subsidiary of CVR;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. **CRMH Merger.**

a. Prior to the consummation of the IPO, the Parties shall cause CVR MergerSub 3, Inc., a Delaware corporation and a newly formed direct subsidiary of CVR ("Merger Sub 3") to merge under and pursuant to the General Corporation Law of the State of Delaware (the "DGCL") with and into CRMH, the separate existence of Merger Sub 3 shall cease, and CRMH shall continue as the surviving corporation (the "CRMH Merger").

b. The Parties shall take all actions necessary to cause the consummation of the CRMH Merger and the CRMH Merger shall become effective upon the later of (i) the filing of a Certificate of Merger effecting the CRMH Merger with the Secretary of the State of Delaware, or (ii) such other time as set forth in such Certificate of Merger.

2. **CNF Merger.**

a. Prior to the consummation of the IPO, the Parties shall cause CVR MergerSub 2, Inc., a Delaware corporation and a newly formed direct subsidiary of CVR ("Merger Sub 2") to merge under and pursuant to the DGCL with and into CNF, the separate existence of Merger Sub 2 shall cease, and CNF shall continue as the surviving corporation ("CNF Merger").

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b. The Parties shall take all actions necessary to cause the consummation of the CNF Merger and the CNF Merger shall become effective upon the later of (i) the filing of a Certificate of Merger effecting the CNF Merger with the Secretary of the State of Delaware, or (ii) such other time as set forth in such Certificate of Merger.

3. **CVR Stock Split or Stock Dividend.**

a. Prior to the consummation of the IPO, and in connection with the CNF Merger and the CRMH Merger, CVR will effect a stock split or a stock dividend as determined by the officers of CVR and in accordance with the requirements of Delaware law and the officers of CVR and the Parties hereto shall take all actions necessary to consummate such stock split or dividend.

4. **Miscellaneous.**

a. **Successors and Assigns.** This Agreement shall inure to the benefit of the successors and assigns of the Parties.

b. **Governing Law; Venue; Waiver of Jury Trial.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. The Parties agree that any action brought by any party to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court for the district encompassing the Company's principal place of business. Each of the Parties hereby irrevocably and unconditionally waives any and all right to trial by jury in any legal proceeding arising out of or related to this Agreement or the transactions contemplated hereby.

c. **Entire Agreement.** This Agreement constitutes the entire agreement by and among the Parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral.

d. **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the Parties agree to renegotiate such provision in good faith. In the event that the Parties cannot reach an agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

e. **General Representation and Warranty.** Each Party represents and warrants that it or he has read this Agreement, has consulted with legal counsel of its or his own choosing, and fully understands that the consideration for this Agreement is all the consideration that it or he will receive, that it or he has entered into this Agreement and based on its or his knowledge, judgment and free choice, and that it or he has not acted in

reliance on any representation, advice or other action of the other Parties, except as specifically set forth and provided herein.

f. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

[Signature Page follows]



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

COFFEYVILLE ACQUISITION LLC

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

COFFEYVILLE REFINING & MARKETING HOLDINGS, INC.

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

COFFEYVILLE REFINING & MARKETING, INC.

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

COFFEYVILLE NITROGEN FERTILIZERS, INC.

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

CVR ENERGY, INC.

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

[Signature Page for Amended and Restated Recapitalization Agreement]

FIRST AMENDED AND RESTATED  
AGREEMENT OF LIMITED PARTNERSHIP  
OF  
CVR PARTNERS, LP

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TABLE OF CONTENTS

Page

ARTICLE I  
DEFINITIONS

Section 1.1	Definitions	1
Section 1.2	Construction	22

ARTICLE II  
ORGANIZATION

Section 2.1	Formation	23
Section 2.2	Name	23
Section 2.3	Registered Office; Registered Agent; Principal Office; Other Offices	23
Section 2.4	Purpose and Business	23
Section 2.5	Powers	24
Section 2.6	Power of Attorney	24
Section 2.7	Term	25
Section 2.8	Title to Partnership Assets	25

ARTICLE III  
RIGHTS OF LIMITED PARTNERS

Section 3.1	Limitation of Liability	26
Section 3.2	Management of Business	26
Section 3.3	Outside Activities of the Limited Partners	26
Section 3.4	Rights of Limited Partners	26

ARTICLE IV  
CERTIFICATES; RECORD HOLDERS; TRANSFER OF PARTNERSHIP INTERESTS;  
REDEMPTION OF PARTNERSHIP INTERESTS

Section 4.1	Certificates	27
Section 4.2	Mutilated, Destroyed, Lost or Stolen Certificates	28
Section 4.3	Record Holders	28
Section 4.4	Transfer Generally	29
Section 4.5	Registration and Transfer of Limited Partner Interests	29
Section 4.6	Registration and Transfer of the Special General Partner Interest	30
Section 4.7	Transfer of the Managing General Partner Interest	31
Section 4.8	Restrictions on Transfers	32
Section 4.9	Eligible Holders	33
Section 4.10	Redemption of Partnership Interests of Ineligible Holders	34

ARTICLE V  
CAPITAL CONTRIBUTIONS AND ISSUANCE OF PARTNERSHIP INTERESTS

Section 5.1	Contributions by the General Partners and their Affiliates	35
Section 5.2	Interest and Withdrawal	36
Section 5.3	Capital Accounts	36
Section 5.4	Issuances of Additional Partnership Interests	39
Section 5.5	Conversion of Special Units	40
Section 5.6	Conversion of Subordinated Units	41
Section 5.7	Conversion of Common GP Units and Subordinated GP Units into Common LP Units and Subordinated LP Units	43
Section 5.8	Preemptive Right	43
Section 5.9	Splits and Combinations	43
Section 5.10	Fully Paid and Non-Assessable Nature of Limited Partner Interests	44

ARTICLE VI  
ALLOCATIONS AND DISTRIBUTIONS

Section 6.1	Allocations for Capital Account Purposes	44
Section 6.2	Allocations for Tax Purposes	53
Section 6.3	Requirement and Characterization of Distributions; Distributions to Record Holders	55
Section 6.4	Distributions of Available Cash from Operating Surplus	55
Section 6.5	Distributions of Non-IDR Surplus Amount	58
Section 6.6	Distributions of Available Cash from Capital Surplus	58
Section 6.7	Adjustment of Minimum Quarterly Distribution and Target Distribution Levels	58
Section 6.8	Special Provisions Relating to the Holders of Subordinated Units	59
Section 6.9	Entity Level Taxation	60
Section 6.10	Distributions in Connection with Initial Offering.	60
Section 6.11	Limitation on Increases in Distributions.	61

ARTICLE VII  
MANAGEMENT AND OPERATION OF BUSINESS

Section 7.1	Management	61
Section 7.2	Certificate of Limited Partnership	63
Section 7.3	Restrictions on the General Partners' Authority; Management Rights of Special General Partner	64
Section 7.4	Reimbursement of the General Partners	65
Section 7.5	Outside Activities	67
Section 7.6	Loans from the General Partners; Loans or Contributions from the Partnership or Group Members	68
Section 7.7	Indemnification	69
Section 7.8	Liability of Indemnitees	70
Section 7.9	Resolution of Conflicts of Interest; Standards of Conduct and Modification of Duties	71

Section 7.10	Other Matters Concerning the General Partners	73
Section 7.11	Purchase or Sale of Partnership Interests	73
Section 7.12	Registration Rights of the General Partners and their Affiliates	73
Section 7.13	Reliance by Third Parties	76

ARTICLE VIII  
BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 8.1	Records and Accounting	76
Section 8.2	Fiscal Year	77
Section 8.3	Reports	77
Section 8.4	Access of Special General Partner to Partnership Information	77

ARTICLE IX  
TAX MATTERS

Section 9.1	Tax Returns and Information	78
Section 9.2	Tax Elections	78
Section 9.3	Tax Controversies	78
Section 9.4	Withholding	78

ARTICLE X  
ADMISSION OF PARTNERS

Section 10.1	Admission of Limited Partners	79
Section 10.2	Admission of Successor Managing General Partner	79
Section 10.3	Amendment of Agreement and Certificate of Limited Partnership	80

ARTICLE XI  
WITHDRAWAL OR REMOVAL OF PARTNERS

Section 11.1	Withdrawal of the Managing General Partner	80
Section 11.2	Removal of the Managing General Partner	82
Section 11.3	Interest of Departing General Partner and Successor Managing General Partner	82
Section 11.4	Termination of Subordination Period, Conversion of Subordinated Units and Extinguishment of Cumulative Common Unit Arrearages	83
Section 11.5	Withdrawal of Limited Partners or Special General Partner	84

ARTICLE XII  
DISSOLUTION AND LIQUIDATION

Section 12.1	Dissolution	84
Section 12.2	Continuation of the Business of the Partnership After Dissolution	84
Section 12.3	Liquidator	85
Section 12.4	Liquidation	86
Section 12.5	Cancellation of Certificate of Limited Partnership	86
Section 12.6	Return of Contributions	86

Section 12.7	Waiver of Partition	87
Section 12.8	Capital Account Restoration	87

ARTICLE XIII  
AMENDMENT OF PARTNERSHIP AGREEMENT; MEETINGS; RECORD DATE

Section 13.1	Amendments to be Adopted Solely by the Managing General Partner	87
Section 13.2	Amendment Procedures	88
Section 13.3	Amendment Requirements	89
Section 13.4	Special Meetings	89
Section 13.5	Notice of a Meeting	90
Section 13.6	Record Date	90
Section 13.7	Adjournment	90
Section 13.8	Waiver of Notice; Approval of Meeting; Approval of Minutes	90
Section 13.9	Quorum and Voting	91
Section 13.10	Conduct of a Meeting	91
Section 13.11	Action Without a Meeting	91
Section 13.12	Right to Vote and Related Matters	92

ARTICLE XIV  
MERGER

Section 14.1	Authority	93
Section 14.2	Procedure for Merger or Consolidation	93
Section 14.3	Approval by Partners of Merger or Consolidation	94
Section 14.4	Certificate of Merger	95
Section 14.5	Amendment of Partnership Agreement	95
Section 14.6	Effect of Merger	95

ARTICLE XV  
RIGHT TO ACQUIRE LIMITED PARTNER INTERESTS

Section 15.1	Right to Acquire Limited Partner Interests	96
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ARTICLE XVI  
GENERAL PROVISIONS

Section 16.1	Addresses and Notices	97
Section 16.2	Further Action	98
Section 16.3	Binding Effect	98
Section 16.4	Integration	98
Section 16.5	Creditors	98
Section 16.6	Waiver	98
Section 16.7	Counterparts	98
Section 16.8	Applicable Law	98
Section 16.9	Invalidity of Provisions	99
Section 16.10	Consent of Partners	99
Section 16.11	Facsimile Signatures	99
Section 16.12	Third Party Beneficiaries	99

**FIRST AMENDED AND RESTATED AGREEMENT OF LIMITED  
PARTNERSHIP OF CVR PARTNERS, LP**

THIS FIRST AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF CVR PARTNERS, LP dated as of October 24, 2007, is entered into by and among CVR GP, LLC, a Delaware limited liability company, as the Managing General Partner, CVR Special GP, LLC, a Delaware limited liability company, as the Special General Partner and Coffeyville Resources, LLC, a Delaware limited liability company, as the Organizational Limited Partner, together with any other Persons who become Partners in the Partnership or parties hereto as provided herein. In consideration of the covenants, conditions and agreements contained herein, the parties hereto hereby agree as follows:

**ARTICLE I  
DEFINITIONS**

Section 1.1 *Definitions*. The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

“*Acquisition*” means any transaction in which any Group Member acquires (through an asset acquisition, merger, stock acquisition or other form of investment) control over all or a portion of the assets, properties or business of another Person for the purpose of increasing the operating capacity (or productivity) or capital base of the Partnership Group from the operating capacity or revenues of the Partnership Group existing immediately prior to such transaction.

“*Additional Book Basis*” means the portion of any Carrying Value, as of the date of determination, of an Adjusted Property that is attributable to positive adjustments made to such Carrying Value as a result of Book-Up Events. For purposes of determining the extent that Carrying Value constitutes Additional Book Basis:

(i) any negative adjustment made to the Carrying Value of an Adjusted Property as a result of either a Book-Down Event or a Book-Up Event shall first be deemed to offset or decrease that portion of the Carrying Value of such Adjusted Property that is attributable to any prior positive adjustments made thereto pursuant to a Book-Up Event or Book-Down Event; and

(ii) if Carrying Value that constitutes Additional Book Basis is reduced as a result of a Book-Down Event and the Carrying Value of other property is increased as a result of such Book-Down Event, an allocable portion of any such increase in Carrying Value shall be treated as Additional Book Basis; provided, that the amount treated as Additional Book Basis pursuant hereto as a result of such Book-Down Event shall not exceed the amount by which the Aggregate Remaining Net Positive Adjustments after such Book-Down Event exceeds the remaining Additional Book Basis attributable to all of the Partnership’s Adjusted Property after such Book-Down Event (determined without regard to the application of this clause (ii) to such Book-Down Event).

“*Additional Book Basis Derivative Items*” means any Book Basis Derivative Items that are computed with reference to Additional Book Basis. To the extent that the Additional Book Basis attributable to all of the Partnership’s Adjusted Property as of the beginning of any taxable period exceeds the Aggregate Remaining Net Positive Adjustments as of the beginning of such

period (the "Excess Additional Book Basis"), the Additional Book Basis Derivative Items for such period shall be reduced by the amount that bears the same ratio to the amount of Additional Book Basis Derivative Items determined without regard to this sentence as the Excess Additional Book Basis bears to the Additional Book Basis as of the beginning of such period.

"Adjusted Capital Account" means the Capital Account maintained for each Partner as of the end of each fiscal year of the Partnership, (a) increased by any amounts that such Partner is obligated to restore under the standards set by Treasury Regulation Section 1.704-1(b)(2)(ii)(c) (or is deemed obligated to restore under Treasury Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5)) and (b) decreased by (i) the amount of all losses and deductions that, as of the end of such fiscal year, are reasonably expected to be allocated to such Partner in subsequent years under Sections 704(e)(2) and 706(d) of the Code and Treasury Regulation Section 1.751-1(b)(2)(ii), and (ii) the amount of all distributions that, as of the end of such fiscal year, are reasonably expected to be made to such Partner in subsequent years in accordance with the terms of this Agreement or otherwise to the extent they exceed offsetting increases to such Partner's Capital Account that are reasonably expected to occur during (or prior to) the year in which such distributions are reasonably expected to be made (other than increases as a result of a minimum gain chargeback pursuant to Section 6.1(d)(i) or 6.1(c)(ii)). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith. The "Adjusted Capital Account" of a Partner in respect of any Partnership Interest shall be the amount that such Adjusted Capital Account would be if such Partnership Interest were the only interest in the Partnership held by such Partner from and after the date on which such Partnership Interest was first issued.

"Adjusted Operating Surplus" means, with respect to any period, Operating Surplus generated with respect to such period (a) less (i) any net increase in Working Capital Borrowings (or the Partnership's proportionate share of any net increase in Working Capital Borrowings in the case of Subsidiaries that are not wholly owned) with respect to such period and (ii) any net decrease in cash reserves (or the Partnership's proportionate share of any net decrease in cash reserves in the case of Subsidiaries that are not wholly owned) for Operating Expenditures with respect to such period not relating to an Operating Expenditure made with respect to such period and (b) plus (i) any net decrease in Working Capital Borrowings (or the Partnership's proportionate share of any net decrease in Working Capital Borrowings in the case of Subsidiaries that are not wholly owned) with respect to such period, and (ii) any net increase in cash reserves (or the Partnership's proportionate share of any net increase in cash reserves in the case of Subsidiaries that are not wholly owned) for Operating Expenditures with respect to such period required by any debt instrument for the repayment of principal, interest or premium. Adjusted Operating Surplus does not include that portion of Operating Surplus included in clauses (a)(i) and (a)(ii) of the definition of Operating Surplus.

"Adjusted Property" means any property the Carrying Value of which has been adjusted pursuant to Section 5.3(d)(i) or Section 5.3(d)(ii).

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question. As used herein, the term "control" means the possession, direct or



indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“*Aggregate Remaining Net Positive Adjustments*” means, as of the end of any taxable period, the sum of the Remaining Net Positive Adjustments of all the Partners.

“*Agreed Allocation*” means any allocation, other than a Required Allocation, of an item of income, gain, loss or deduction pursuant to the provisions of Section 6.1, including a Curative Allocation (if appropriate to the context in which the term “Agreed Allocation” is used).

“*Agreed Value*” of any Contributed Property means the fair market value of such property or other consideration at the time of contribution as determined by the Managing General Partner. In making the determination, the Managing General Partner shall use such method as it determines to be appropriate to allocate the aggregate Agreed Value of Contributed Properties contributed to the Partnership in a single or integrated transaction among each separate property on a basis proportional to the fair market value of each Contributed Property.

“*Agreement*” means this First AMENDED AND Restated Agreement of Limited Partnership of CVR Partners, LP, as it may be amended, supplemented or restated from time to time.

“*Associate*” means, when used to indicate a relationship with any Person, (a) any corporation or organization of which such Person is a director, officer or general partner or is, directly or indirectly, the owner of 20% or more of any class of voting stock or other voting interest; (b) 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 (c) any relative or spouse of such Person, or any relative of such spouse, who has the same principal residence as such Person.

“*Available Cash*” means, with respect to any Quarter ending prior to the Liquidation Date:

(a) the sum of (i) all cash and cash equivalents of the Partnership Group (or the Partnership’s proportionate share of cash and cash equivalents in the case of Subsidiaries that are not wholly owned) on hand at the end of such Quarter, and (ii) all additional cash and cash equivalents of the Partnership Group (or the Partnership’s proportionate share of cash and cash equivalents in the case of Subsidiaries that are not wholly owned) on hand on the date of determination of Available Cash with respect to such Quarter resulting from Working Capital Borrowings made subsequent to the end of such Quarter, less

(b) the amount of any cash reserves (or the Partnership’s proportionate share of cash reserves in the case of Subsidiaries that are not wholly owned) established by the Managing General Partner to (i) provide for the proper conduct of the business of the Partnership Group (including reserves for the satisfaction of obligations in respect of pre-paid fertilizer contracts, future capital expenditures and for anticipated future credit needs of the Partnership Group) subsequent to such Quarter, (ii) comply with applicable law or any loan agreement, security agreement, mortgage, debt instrument or other agreement or obligation to which any Group Member is a party or by which it is bound or its assets are subject or (iii) provide funds for

distributions under Section 6.4 or Section 6.6 in respect of any one or more of the next eight Quarters; provided, however, that following the Initial Offering the Managing General Partner may not establish cash reserves pursuant to (iii) above if the effect of such reserves would be that the Partnership is unable to distribute the Minimum Quarterly Distribution on all Common Units, plus any Cumulative Common Unit Arrearage on all Common Units, with respect to such Quarter; and, provided further, that disbursements made by a Group Member or cash reserves established, increased or reduced after the end of such Quarter but on or before the date of determination of Available Cash with respect to such Quarter shall be deemed to have been made, established, increased or reduced, for purposes of determining Available Cash, within such Quarter if the Managing General Partner so determines. In establishing cash reserves, the Managing General Partner shall take into consideration the terms of, the obligations of the Partnership as a guarantor under, and the restrictions on the Partnership as a credit party under, any Coffeyville Credit Agreement.

Notwithstanding the foregoing, "Available Cash" with respect to the Quarter in which the Liquidation Date occurs and any subsequent Quarter shall equal zero.

"Board of Directors" means, with respect to the Board of Directors of the Managing General Partner, its board of directors or managers, as applicable, if a corporation or limited liability company, or if a limited or general partnership, the board of directors or board of managers of its managing general partner.

"Book Basis Derivative Items" means any item of income, deduction, gain or loss included in the determination of Net Income or Net Loss that is computed with reference to the Carrying Value of an Adjusted Property (e.g., depreciation, depletion, or gain or loss with respect to an Adjusted Property).

"Book-Down Event" means an event that triggers a negative adjustment to the Capital Accounts of the Partners pursuant to Section 5.3(d).

"Book-Tax Disparity" means with respect to any item of Contributed Property or Adjusted Property, as of the date of any determination, the difference between the Carrying Value of such Contributed Property or Adjusted Property and the adjusted basis thereof for federal income tax purposes as of such date. A Partner's share of the Partnership's Book-Tax Disparities in all of its Contributed Property and Adjusted Property will be reflected by the difference between such Partner's Capital Account balance as maintained pursuant to Section 5.3 and the hypothetical balance of such Partner's Capital Account computed as if it had been maintained strictly in accordance with federal income tax accounting principles.

"Book-Up Event" means an event that triggers a positive adjustment to the Capital Accounts of the Partners pursuant to Section 5.3(d).

"Business Day" means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America, the State of Kansas or the State of Texas shall not be regarded as a Business Day.

"Capital Account" means the capital account maintained for a Partner pursuant to Section 5.3. The "Capital Account" of a Partner in respect of a Partnership Interest shall be the

amount that such Capital Account would be if such Partnership Interest were the only interest in the Partnership held by such Partner from and after the date on which such Partnership Interest was first issued.

“*Capital Contribution*” means any cash, cash equivalents or the Net Agreed Value of Contributed Property that a Partner contributes to the Partnership.

“*Capital Improvement*” means any (a) addition or improvement to the capital assets owned by any Group Member, (b) acquisition of existing, or the construction of new, capital assets (including assets for the production, transportation or distribution of fertilizer), or (c) capital contribution by a Group Member to a Person that is not a Subsidiary, in which a Group Member has an equity interest, to fund the Group Member’s pro rata share of the cost of the acquisition of existing, or the construction of new, capital assets, in each case if such addition, improvement, acquisition or construction is made to increase the operating capacity (or productivity) or capital base of the Partnership Group from the operating capacity or asset base of the Partnership Group, in the case of clauses (a) and (b), or such Person, in the case of clause (c), from that existing immediately prior to such addition, improvement, acquisition or construction; provided however, that any such addition, improvement, acquisition or construction that is made solely for investment purposes shall not constitute a Capital Improvement under this Agreement.

“*Capital Surplus*” has the meaning assigned to such term in Section 6.3(a).

“*Carrying Value*” means (a) with respect to a Contributed Property, the Agreed Value of such property reduced (but not below zero) by all depreciation, amortization and cost recovery deductions charged to the Partners’ Capital Accounts in respect of such Contributed Property, and (b) with respect to any other Partnership property, the adjusted basis of such property for federal income tax purposes, all as of the time of determination. The Carrying Value of any property shall be adjusted from time to time in accordance with Section 5.3(d)(i), Section 5.3(d)(ii) and Section 5.3(b)(v) and to reflect changes, additions or other adjustments to the Carrying Value for dispositions and acquisitions of Partnership properties, as deemed appropriate by the Managing General Partner.

“*Cause*” means a court of competent jurisdiction has entered a final, non-appealable judgment finding that the Managing General Partner, as an entity, has materially breached a material provision of this Agreement or is liable for actual fraud or willful misconduct in its capacity as a general partner of the Partnership.

“*Certificate*” means a certificate in such form as may be adopted by the Managing General Partner, issued by the Partnership evidencing ownership of one or more Partnership Interests.

“*Certificate of Limited Partnership*” means the Certificate of Limited Partnership of the Partnership filed with the Secretary of State of the State of Delaware as referenced in Section 7.2, as such Certificate of Limited Partnership may be amended, supplemented or restated from time to time.

“claim” (as used in Section 7.12(c)) has the meaning assigned to such term in Section 7.12(c).

“Closing Date” means the first date on which shares of Common Stock of CVR Energy, Inc. are first sold under the Registration Statement.

“Closing Price” means, in respect of any class of Limited Partner Interests, as of the date of determination, the last sale price on such day, regular way, or in case no such sale takes place on such day, the average of the closing bid and asked prices on such day, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to Limited Partner Interests listed or admitted to trading on the principal National Securities Exchange on which the respective Limited Partner Interests are listed or admitted to trading or, if such Limited Partner Interests are not listed or admitted to trading on any National Securities Exchange, the last quoted price on such day or, if not so quoted, the average of the high bid and low asked prices on such day in the over-the-counter market, as reported by the primary reporting system then in use in relation to such Limited Partner Interest of such class, or, if on any such day such Limited Partner Interests of such class are not quoted by any such organization, the average of the closing bid and asked prices on such day as furnished by a professional market maker making a market in such Limited Partner Interests of such class selected by the Managing General Partner, or if on any such day no market maker is making a market in such Limited Partner Interests of such class, the fair value of such Limited Partner Interests on such day as determined by the Managing General Partner. Notwithstanding the foregoing, the Closing Price for a Common GP Unit and a Subordinated GP Unit shall be equal to the Closing Price for a Common LP Unit or Subordinated LP Unit, respectively.

“Code” means the Internal Revenue Code of 1986, as amended and in effect from time to time. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of any successor law.

“Coffeyville Credit Agreement” means each of:

(a) the Second Amended and Restated Credit and Guaranty Agreement, dated as of December 28, 2006, between Coffeyville Resources, LLC, as the borrower, and Coffeyville Refining & Marketing, Inc., Coffeyville Nitrogen Fertilizers, Inc., Coffeyville Crude Transportation, Inc., Coffeyville Pipeline, Inc., Coffeyville Terminal, Inc., CL JV Holdings, LLC, and certain of their subsidiaries, as guarantors, the Lenders party thereto from time to time, and Goldman Sachs Credit Partners L.P. and Credit Suisse Securities (USA) LLC, as Joint Lead Arrangers and Joint Bookrunners, Credit Suisse, as Administrative Agent, Collateral Agent, Funded LC Issuing Bank and Revolving Issuing Bank, Deutsche Bank Trust Company Americas, as Syndication Agent, and ABN Amro Bank N.V., as Documentation Agent;

(b) the Secured Credit and Guaranty Agreement, dated as of August 23, 2007, by and among Coffeyville Resources, LLC, as the borrower, Coffeyville Pipeline, Inc., Coffeyville Refining & Marketing, Inc., Coffeyville Nitrogen Fertilizers, Inc., Coffeyville Crude Transportation, Inc., a Delaware corporation (“Transportation”), Coffeyville Terminal, Inc., CL JV Holdings, LLC, and certain of their subsidiaries, as guarantors, the Lenders party thereto from

time to time, and Goldman Sachs Credit Partners L.P., as Sole Lead Arranger and Sole Bookrunner, and as Administrative Agent and Collateral Agent; and

(c) the Unsecured Credit and Guaranty Agreement, dated as of August 23, 2007, by and among Coffeyville Resources, LLC, as the borrower, Coffeyville Pipeline, Inc., Coffeyville Refining & Marketing, Inc., Coffeyville Nitrogen Fertilizers, Inc., Coffeyville Crude Transportation, Inc., a Delaware corporation (“Transportation”), Coffeyville Terminal, Inc., CL JV Holdings, LLC, and certain of their subsidiaries, as guarantors, the Lenders party thereto from time to time, and Goldman Sachs Credit Partners L.P., as Sole Lead Arranger and Sole Bookrunner and as Administrative Agent;

in each case as such may be amended, modified, supplemented, restated or refinanced from time to time and any successor agreement thereto.

“*Combined Interest*” has the meaning assigned to such term in Section 11.3(a).

“*Commences Commercial Service*,” “*Commenced Commercial Service*” and “*Commencement of Commercial Service*” shall mean the date a Capital Improvement is first put into service by a Group Member following, if applicable, completion of construction and testing.

“*Commission*” means the United States Securities and Exchange Commission.

“*Common LP Unit*” means a Unit representing, when outstanding, a fractional part of the Partnership Interests of all Limited Partners, and having the rights and obligations specified with respect to Common LP Units in this Agreement. The term “*Common LP Unit*” does not refer to, or include, any Subordinated LP Unit prior to its conversion into a Common LP Unit pursuant to the terms hereof.

“*Common GP Unit*” means a Unit representing, when outstanding, a fractional part of the Special General Partner Interest, and having the rights and obligations specified with respect to Common GP Units in this Agreement. The term “*Common GP Unit*” does not refer to, or include, any Subordinated GP Unit prior to its conversion into a Common GP Unit pursuant to the terms hereof.

“*Common Unit*” means a Common LP Unit or a Common GP Unit.

“*Common Unit Arrearage*” means, with respect to any Common Unit, whenever issued, with respect to any Quarter within the Subordination Period, the excess, if any, of (a) the Minimum Quarterly Distribution with respect to a Common Unit in respect of such Quarter over (b) the sum of all Available Cash distributed with respect to a Common Unit in respect of such Quarter pursuant to Section 6.4(b)(i).

“*Conflicts Committee*” means a committee of the Board of Directors of the Managing General Partner composed entirely of one or more directors who are not (a) security holders, officers or employees of the Managing General Partner, (b) officers, directors or employees of any Affiliate of the Managing General Partner or (c) holders of any ownership interest in the Partnership Group other than Common Units and who also meet the independence standards required of directors who serve on an audit committee of a board of directors established by the

Securities Exchange Act and the rules and regulations of the Commission thereunder and by (i) the National Securities Exchange on which any class of Partnership Interests are listed or admitted to trading or (ii) if no class of Partnership Interests is so listed or traded, by the New York Stock Exchange, Inc.

“*Contributed Property*” means each property or other asset, in such form as may be permitted by the Delaware Act, but excluding cash, contributed to the Partnership. Once the Carrying Value of a Contributed Property is adjusted pursuant to Section 5.3(d), such property shall no longer constitute a Contributed Property, but shall be deemed an Adjusted Property.

“*Contribution Agreement*” means that certain Contribution, Conveyance and Assumption Agreement, to be entered into on or prior to the Closing Date, among the Managing General Partner, the Special General Partner, the Organizational Limited Partner and the Partnership, together with the additional conveyance documents and instruments contemplated or referenced thereunder, as such may be amended, supplemented or restated from time to time.

“*Cumulative Common Unit Arrearage*” means, with respect to any Common Unit, whenever issued, and as of the end of any Quarter, the excess, if any, of (a) the sum resulting from adding together the Common Unit Arrearage as to an Initial Common Unit for each of the Quarters within the Subordination Period ending on or before the last day of such Quarter over (b) the sum of any distributions theretofore made pursuant to Section 6.4(b)(ii) with respect to an Initial Common Unit (including any distributions to be made in respect of the last of such Quarters).

“*Curative Allocation*” means any allocation of an item of income, gain, deduction, loss or credit pursuant to the provisions of Section 6.1(d)(xi).

“*Current Market Price*” means, in respect of any class of Partnership Interests, as of the date of determination, the average of the daily Closing Prices per Partnership Interest of such class for the 20 consecutive Trading Days immediately prior to such date.

“*Delaware Act*” means the Delaware Revised Uniform Limited Partnership Act, 6 Del C. Section 17-101, *et seq.*, as amended, supplemented or restated from time to time, and any successor to such statute.

“*Departing General Partner*” means a former Managing General Partner from and after the effective date of any withdrawal or removal of such former Managing General Partner pursuant to Section 11.1 or 11.2.

“*Depository*” means, with respect to any Units issued in global form, The Depository Trust Company and its successors and permitted assigns.

“*Economic Risk of Loss*” has the meaning set forth in Treasury Regulation Section 1.752-2(a).

“*Effective Date*” has the meaning as set forth in the Contribution Agreement.

“*Eligible Holder*” means a Person that satisfies the eligibility requirements established by the Managing General Partner for Partners pursuant to Section 4.9.

“*Eligibility Certification*” means a properly completed certificate in such form as may be specified by the General Partner by which a Partner certifies that he (and if he is a nominee holding for the account of another Person, that to the best of his knowledge such other Person) is an Eligible Holder.

“*Event of Withdrawal*” has the meaning assigned to such term in Section 11.1(a).

“*Expansion Capital Expenditures*” means cash expenditures for Acquisitions or Capital Improvements. Expansion Capital Expenditures shall include interest (and related fees) on debt incurred and distributions on equity issued, in each case, to finance the construction of a Capital Improvement and paid during the period beginning on the date that the Partnership enters into a binding obligation to commence construction of a Capital Improvement and ending on the earlier to occur of the date that such Capital Improvement Commences Commercial Service or the date that such Capital Improvement is abandoned or disposed of. Debt incurred or equity issued to fund such construction period interest payments, or such construction period distributions on equity paid during such period shall also be deemed to be debt or equity, as the case may be, incurred to finance the construction of a Capital Improvement.

“*Fertilizer Restricted Businesses*” has the meaning assigned to such term in the Omnibus Agreement.

“*Final Subordinated Units*” has the meaning assigned to such term in Section 6.1(d)(x).

“*First Liquidation Target Amount*” has the meaning assigned to such term in Section 6.1(c)(i)(D).

“*First Target Distribution*” means \$0.4313 per Unit per Quarter (or, with respect to periods of less than a full fiscal quarter, it means the product of such amount multiplied by a fraction of which the numerator is the number of days in such period, and of which the denominator is the total number of days in such fiscal quarter), subject to adjustment in accordance with Sections 6.7 and 6.9.

“*Fully Diluted Basis*” means, when calculating the number of Outstanding Units for any period, a basis that includes, in addition to the Outstanding Units, all Partnership Interests and options, rights, warrants and appreciation rights relating to an equity interest in the Partnership (a) that are convertible into or exercisable or exchangeable for Units that are senior to or pari passu with the Subordinated Units, (b) whose conversion, exercise or exchange price is less than the Current Market Price on the date of such calculation, (c) that may be converted into or exercised or exchanged for such Units prior to or during the Quarter immediately following the end of the period for which the calculation is being made without the satisfaction of any contingency beyond the control of the holder other than the payment of consideration and the compliance with administrative mechanics applicable to such conversion, exercise or exchange and (d) that were not converted into or exercised or exchanged for such Units during the period for which the calculation is being made; provided, however, that for purposes of determining the number of Outstanding Units on a Fully Diluted Basis when calculating whether the

Subordination Period has ended or Subordinated Units are entitled to convert into Common Units pursuant to Section 5.6, such Partnership Interests, options, rights, warrants and appreciation rights shall be deemed to have been Outstanding Units only for the four Quarters that comprise the last four Quarters of the measurement period; provided, further, that if consideration will be paid to any Group Member in connection with such conversion, exercise or exchange, the number of Units to be included in such calculation shall be that number equal to the difference between (i) the number of Units issuable upon such conversion, exercise or exchange and (ii) the number of Units that such consideration would purchase at the Current Market Price.

“*General Partner*” means each of the Managing General Partner and the Special General Partner.

“*Group*” means a Person that with or through any of its Affiliates or Associates has any contract, arrangement, understanding or relationship for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent given to such Person in response to a proxy or consent solicitation made to 10 or more Persons), exercising investment power or disposing of any Partnership Interests with any other Person that beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, Partnership Interests.

“*Group Member*” means a member of the Partnership Group.

“*Group Member Agreement*” means the partnership agreement of any Group Member, other than the Partnership, that is a limited or general partnership, the limited liability company agreement of any Group Member that is a limited liability company, the certificate of incorporation and bylaws or similar organizational documents of any Group Member that is a corporation, the joint venture agreement or similar governing document of any Group Member that is a joint venture and the governing or organizational or similar documents of any other Group Member that is a Person other than a limited or general partnership, limited liability company, corporation or joint venture, as such may be amended, supplemented or restated from time to time.

“*Holder*” as used in Section 7.12, has the meaning assigned to such term in Section 7.12(a).

“*Incentive Distribution Right*” means the distribution rights associated with the Managing General Partner Interest, which will confer upon the holder thereof only the rights and obligations specifically provided in this Agreement with respect to Incentive Distribution Rights (and no other rights otherwise available to or other obligations of a holder of a Partnership Interest).

“*Incentive Distributions*” means any amount of cash distributed to the Managing General Partner in respect of the Incentive Distribution Rights pursuant to Section 6.4.

“*Indemnified Persons*” has the meaning assigned to such term in Section 7.12(c).

“*Indemnitee*” means (a) any General Partner, (b) any Departing General Partner, (c) any Person who is or was a director, officer, fiduciary, trustee, manager or managing member of any



Group Member, a General Partner or any Departing General Partner, (d) any Person who is or was serving at the request of a General Partner or any Departing General Partner as a director, officer, fiduciary, trustee, manager or managing member of another Person owing a fiduciary duty to any Group Member; provided that a Person shall not be an Indemnitee by reason of providing, on a fee-for-services basis, trustee, fiduciary or custodial services, (e) any Person who controls a general partner and (f) any Person the Managing General Partner designates as an "Indemnitee" for purposes of this Agreement.

"*Ineligible Holder*" means a Person whom the Managing General Partner has determined is not an Eligible Holder.

"*Initial Common Units*" means the Common Units sold in the Initial Offering.

"*Initial Offering*" means the first to occur of the Initial Private Offering and the Initial Public Offering.

"*Initial Private Offering*" means the initial offering and sale of Common Units by the Partnership pursuant to Rule 144A under the Securities Act where aggregate net proceeds to the Partnership from the sale of such Common Units is at least \$50,000,000.

"*Initial Public Offering*" means the Partnership's first underwritten public offering of Common Units pursuant to a registration statement that is filed and declared effective under the Securities Act.

"*Initial Units*" means (i) prior to the Initial Offering, the Special Units issued to the Special General Partner and Organizational Limited Partner pursuant to the Contribution Agreement and (ii) following the Initial Offering, the Initial Common Units

"*Initial Unit Price*" means with respect to any class or series of Units, the price per Unit at which such class or series of Units is initially sold by the Partnership, in each case adjusted as the Managing General Partner determines to be appropriate to give effect to any distribution, subdivision, combination or reorganization of Units.

"*Interim Capital Transactions*" means the following transactions if they occur prior to the Liquidation Date: (a) borrowings, refinancings or refundings of indebtedness (other than Working Capital Borrowings and other than for items purchased on open account or for a deferred purchase price in the ordinary course of business) by any Group Member and sales of debt securities of any Group Member; (b) sales of equity interests and debt securities of any Group Member; and (c) sales or other voluntary or involuntary dispositions of any assets of any Group Member other than (i) sales or other dispositions of inventory, accounts receivable and other assets in the ordinary course of business, and (ii) sales or other dispositions of assets as part of normal retirements or replacements of assets.

"*Investment Capital Expenditures*" means capital expenditures expected by the Managing General Partner, at the time of incurring such expenditures, to be of such a short term duration as not to be appropriately categorized as Expansion Capital Expenditures or Maintenance Capital Expenditures.

*“IO Closing Date”* means the first date on which Common Units are sold by the Partnership pursuant to the Initial Offering.

*“Limited Partner”* means, unless the context otherwise requires, the Organizational Limited Partner, each additional Person that becomes a Limited Partner pursuant to the terms of this Agreement and any Departing General Partner or Special General Partner upon the change of its status from Managing General Partner or Special General Partner to Limited Partner pursuant to Section 11.3 or Section 5.5, in each case, in such Person’s capacity as a limited partner of the Partnership.

*“Limited Partner Interest”* means the ownership interest of a Limited Partner in the Partnership, which may be evidenced by Special LP Units, Common LP Units, Subordinated LP Units or other Partnership Interests (other than Partnership Interests evidencing the Managing General Partner Interest or the Special General Partner Interest) or a combination thereof or interest therein, and includes any and all benefits to which such Limited Partner is entitled as provided in this Agreement, together with all obligations of such Limited Partner to comply with the terms and provisions of this Agreement.

*“Liquidation Date”* means (a) in the case of an event giving rise to the dissolution of the Partnership of the type described in clauses (a) and (b) of the first sentence of Section 12.2, the date on which the applicable time period during which the holders of Outstanding Units have the right to elect to continue the business of the Partnership has expired without such an election being made, and (b) in the case of any other event giving rise to the dissolution of the Partnership, the date on which such event occurs.

*“Liquidator”* means one or more Persons selected by the Managing General Partner to perform the functions described in Section 12.4 as liquidating trustee of the Partnership within the meaning of the Delaware Act.

*“Maintenance Capital Expenditures”* means cash expenditures (including expenditures for the addition or improvement to the capital assets owned by any Group Member or for the acquisition of existing, or the construction of new, capital assets) made to maintain the operating capacity (or productivity) or capital base of the Partnership Group. Maintenance Capital Expenditures shall include interest (and related fees) on debt incurred and distributions on equity issued, in each case, to finance the construction of a replacement asset and paid during the period beginning on the date that the Group Member enters into a binding obligation to commence constructing a replacement asset and ending on the earlier to occur of the date that such replacement asset Commences Commercial Service or the date that such replacement asset is abandoned or disposed of. Debt incurred to pay or equity issued to fund the construction period interest payments, or such construction period distributions on equity shall also be deemed to be debt or equity, as the case may be, incurred to finance the construction of a replacement asset.

*“Managing General Partner”* means CVR GP, LLC, a Delaware limited liability company, and its successors and permitted assigns that are admitted to the Partnership as managing general partner of the Partnership, in their capacity as managing general partner of the Partnership (except as the context otherwise requires).

“*Managing General Partner Interest*” means the management and ownership interest of the Managing General Partner in the Partnership (in its capacity as managing general partner without reference to any Limited Partner Interest or Special general Partner Interest held by it), which includes any and all benefits to which the Managing General Partner is entitled as provided in this Agreement (including the Incentive Distribution Rights), together with all obligations of the Managing General Partner to comply with the terms and provisions of this Agreement.

“*Merger Agreement*” has the meaning assigned to such term in Section 14.1.

“*Minimum Quarterly Distribution*” means \$0.375 per Unit per Quarter (or, with respect to periods of less than a full fiscal quarter, it means the product of such amount multiplied by a fraction of which the numerator is the number of days in such period, and of which the denominator is the total number of days in such fiscal quarter), subject to adjustment in accordance with Section 5.4, 6.7 and 6.9.

“*National Securities Exchange*” means an exchange registered with the Commission under Section 6(a) of the Securities Exchange Act and any other securities exchange (whether or not registered with the Commission under Section 6(a) of the Securities Exchange Act) that the Managing General Partner shall designate as a National Securities Exchange for purposes of this Agreement.

“*Net Agreed Value*” means, (a) in the case of any Contributed Property, the Agreed Value of such property reduced by any liabilities either assumed by the Partnership upon such contribution or to which such property is subject when contributed and (b) in the case of any property distributed to a Partner by the Partnership, the Partnership’s Carrying Value of such property (as adjusted pursuant to Section 5.3(d)(ii)) at the time such property is distributed, reduced by any indebtedness either assumed by such Partner upon such distribution or to which such property is subject at the time of distribution, in either case, as determined under Section 752 of the Code.

“*Net Income*” means, for any taxable year, the excess, if any, of the Partnership’s items of income and gain (other than those items taken into account in the computation of Net Termination Gain or Net Termination Loss) for such taxable year over the Partnership’s items of loss and deduction (other than those items taken into account in the computation of Net Termination Gain or Net Termination Loss) for such taxable year. The items included in the calculation of Net Income shall be determined in accordance with Section 5.3(b) and shall not include any items specially allocated under Section 6.1(d); provided, that the determination of the items that have been specially allocated under Section 6.1(d) shall be made as if Section 6.1(d)(xii) were not in this Agreement.

“*Net Loss*” means, for any taxable year, the excess, if any, of the Partnership’s items of loss and deduction (other than those items taken into account in the computation of Net Termination Gain or Net Termination Loss) for such taxable year over the Partnership’s items of income and gain (other than those items taken into account in the computation of Net Termination Gain or Net Termination Loss) for such taxable year. The items included in the calculation of Net Loss shall be determined in accordance with Section 5.3(b) and shall not

include any items specially allocated under Section 6.1(d); provided, that the determination of the items that have been specially allocated under Section 6.1(d) shall be made as if Section 6.1(d)(xii) were not in this Agreement.

“*Net Positive Adjustments*” means, with respect to any Partner, the excess, if any, of the total positive adjustments over the total negative adjustments made to the Capital Account of such Partner pursuant to Book-Up Events and Book-Down Events.

“*Net Termination Gain*” means, for any taxable year, the sum, if positive, of all items of income, gain, loss or deduction recognized by the Partnership after the Liquidation Date. The items included in the determination of Net Termination Gain shall be determined in accordance with Section 5.3(b) and shall not include any items of income, gain or loss specially allocated under Section 6.1(d).

“*Net Termination Loss*” means, for any taxable year, the sum, if negative, of all items of income, gain, loss or deduction recognized by the Partnership after the Liquidation Date. The items included in the determination of Net Termination Loss shall be determined in accordance with Section 5.3(b) and shall not include any items of income, gain or loss specially allocated under Section 6.1(d).

“*Non-IDR Surplus Amount*” means the Adjusted Operating Surplus for the period from the Effective Date through December 31, 2009.

“*Nonrecourse Built-in Gain*” means with respect to any Contributed Properties or Adjusted Properties that are subject to a mortgage or pledge securing a Nonrecourse Liability, the amount of any taxable gain that would be allocated to the Partners pursuant to Sections 6.2(b)(i)(A), 6.2(b)(ii)(A) and 6.2(b)(iii) if such properties were disposed of in a taxable transaction in full satisfaction of such liabilities and for no other consideration.

“*Nonrecourse Deductions*” means any and all items of loss, deduction or expenditure (including any expenditure described in Section 705(a)(2)(B) of the Code) that, in accordance with the principles of Treasury Regulation Section 1.704-2(b), are attributable to a Nonrecourse Liability.

“*Nonrecourse Liability*” has the meaning set forth in Treasury Regulation Section 1.752-1(a)(2).

“*Notice of Election to Purchase*” has the meaning assigned to such term in Section 15.1(b).

“*Omnibus Agreement*” means that certain Omnibus Agreement, to be entered into on or prior to the Closing Date, among CVR Energy, Inc., the Managing General Partner, the Special General Partner and the Partnership, as such may be amended, supplemented or restated from time to time.

“*Operating Expenditures*” means all Partnership Group expenditures (or the Partnership’s proportionate share of expenditures in the case of Subsidiaries that are not wholly owned), including taxes, reimbursements or payments of expenses of the Managing General Partner,

repayment of Working Capital Borrowings, debt service payments and capital expenditures, subject to the following:

- (a) repayment of Working Capital Borrowings deducted from Operating Surplus pursuant to clause (b)(iii) of the definition of Operating Surplus shall not constitute Operating Expenditures when actually repaid;
- (b) payments (including prepayments) of principal of and premium on indebtedness other than Working Capital Borrowings shall not constitute Operating Expenditures; and

(c) Operating Expenditures shall not include (i) Expansion Capital Expenditures or Investment Capital Expenditures, (ii) payment of transaction expenses relating to Interim Capital Transactions or (iii) distributions to Partners. Where capital expenditures are made in part for Acquisitions or for Capital Improvements and in part for other purposes, the Managing General Partner, with the concurrence of the Conflicts Committee, shall determine the allocation between the amounts paid for each.

“*Operating Surplus*” means, with respect to any period ending prior to the Liquidation Date, on a cumulative basis and without duplication,

(a) the sum of (i) \$60 million, (ii) all cash receipts of the Partnership Group (or the Partnership’s proportionate share of cash receipts in the case of Subsidiaries that are not wholly owned) for the period beginning on the Effective Date and ending on the last day of such period, but excluding cash receipts from Interim Capital Transactions (iii) all cash receipts of the Partnership Group (or the Partnership’s proportionate share of cash receipts in the case of Subsidiaries that are not wholly owned) after the end of such period but on or before the date of determination of Operating Surplus with respect to such period resulting from Working Capital Borrowings and (iv) the amount of distributions paid on equity of the Partnership issued in connection with the construction of a Capital Improvement or replacement asset and paid during the period beginning on the date that the Partnership enters into a binding obligation to commence construction of such Capital Improvement or replacement asset and ending on the earlier to occur of the date that such Capital Improvement or replacement asset Commences Commercial Service or the date that it is abandoned or disposed of (equity issued to fund the construction period interest payments on debt incurred (including periodic net payments under related interest rate swap agreements), or construction period distributions on equity issued, to finance the construction of a Capital Improvement or replacement asset shall also be deemed to be equity issued to finance the construction of a Capital Improvement or replacement asset for purposes of this clause (iv)), less

(b) the sum of (i) Operating Expenditures for the period beginning on the Effective Date and ending on the last day of such period, (ii) the amount of cash reserves (or the Partnership’s proportionate share of cash reserves in the case of Subsidiaries that are not wholly owned) established by the Managing General Partner to provide funds for future Operating Expenditures and (iii) all Working Capital Borrowings not repaid within twelve months after having been incurred; provided, however, that disbursements made (including contributions to a Group Member or disbursements on behalf of a Group Member) or cash reserves established, increased or reduced after the end of such period but on or before the date of determination of

Available Cash with respect to such period shall be deemed to have been made, established, increased or reduced, for purposes of determining Operating Surplus, within such period if the Managing General Partner so determines.

Notwithstanding the foregoing, "Operating Surplus" with respect to the Quarter in which the Liquidation Date occurs and any subsequent Quarter shall equal zero.

"*Opinion of Counsel*" means a written opinion of counsel (who may be regular counsel to the Partnership or the General Partners or any of their Affiliates) acceptable to the Managing General Partner.

"*Organizational Limited Partner*" means Coffeyville Resources, LLC in its capacity as the organizational limited partner of the Partnership pursuant to this Agreement.

"*Outstanding*" means, with respect to Partnership Interests, all Partnership Interests that are issued by the Partnership and reflected as outstanding on the Partnership's books and records as of the date of determination; provided, however, that if at any time following the Initial Offering any Person or Group (other than any General Partner or their respective Affiliates, including CVR Energy, Inc.) beneficially owns 20% or more of the Outstanding Partnership Interests of any class (treating Common LP Units and Common GP Units as the same class of Partnership Interests) then Outstanding, all Partnership Interests owned by such Person or Group shall not be entitled to be voted on any matter and shall not be considered to be Outstanding when sending notices of a meeting of Limited Partners to vote on any matter (unless otherwise required by law), calculating required votes, determining the presence of a quorum or for other similar purposes under this Agreement, except that Partnership Interests so owned shall be considered to be Outstanding for purposes of Section 11.1(b)(iv) (such Partnership Interests shall not, however, be treated as a separate class of Partnership Interests for purposes of this Agreement); provided, further, that the foregoing limitation on voting of Partnership Interests shall not apply to (i) any Person or Group who acquired 20% or more of the Outstanding Partnership Interests of any class then Outstanding directly from the Managing General Partner or its Affiliates, (ii) any Person or Group who acquired 20% or more of the Outstanding Partnership Interests of any class then Outstanding directly or indirectly from a Person or Group described in clause (i) provided that the Managing General Partner shall have notified such Person or Group in writing that such limitation shall not apply, or (iii) any Person or Group who acquired 20% or more of any Partnership Interests issued by the Partnership with the prior approval of the Board of Directors.

"*Over-Allotment Option*" means an over-allotment option granted by the Partnership in connection with the Initial Public Offering.

"*Partner Nonrecourse Debt*" has the meaning set forth in Treasury Regulation Section 1.704-2(b)(4).

"*Partner Nonrecourse Debt Minimum Gain*" has the meaning set forth in Treasury Regulation Section 1.704-2(i)(2).

"*Partner Nonrecourse Deductions*" means any and all items of loss, deduction or expenditure (including any expenditure described in Section 705(a)(2)(B) of the Code) that, in

accordance with the principles of Treasury Regulation Section 1.704-2(i)(1), are attributable to a Partner Nonrecourse Debt.

“Partners” means the General Partners and the Limited Partners.

“Partnership” means CVR Partners, LP, a Delaware limited partnership.

“Partnership Group” means the Partnership and its Subsidiaries treated as a single entity.

“Partnership Interest” means an interest in the Partnership, which shall include any Managing General Partner Interest, Special General Partner Interest and Limited Partner Interests but shall exclude any options, rights, warrants and appreciation rights relating to an equity interest in the Partnership and, for the purpose of Section 7.12, shall include any interests into which such Partnership Interests are convertible or for which such Partnership Interests are exchangeable.

“Partnership Minimum Gain” means that amount determined in accordance with the principles of Treasury Regulation Section 1.704-2(d).

“Per Unit Capital Amount” means, as of any date of determination, the Capital Account, stated on a per Unit basis, underlying any Common Unit.

“Percentage Interest” means as of any date of determination (a) as to any Unitholder with respect to Units, the product obtained by multiplying (i) 100% less the percentage applicable to clause (b) below by (ii) the quotient obtained by dividing (A) the number of Units held by such Unitholder, by (B) the total number of all Outstanding Units, and (b) as to the holders of other Partnership Interests issued by the Partnership in accordance with Section 5.4, the percentage established (or determined as established) as a part of such issuance. The Percentage Interest with respect to the Managing General Partner Interest shall at all times be zero.

“Person” means an individual or a corporation, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

“Pro Rata” means (a) when modifying Units or any class thereof, apportioned equally among all designated Units in accordance with their relative Percentage Interests and (b) when modifying Partners or Record Holders, apportioned among all Partners and Record Holders in accordance with their relative Percentage Interests.

“Purchase Date” means the date determined by the Managing General Partner as the date for purchase of all Outstanding Limited Partner Interests of a certain class (other than Limited Partner Interests owned by the Managing General Partner and its Affiliates) pursuant to Article XV.

“Quarter” means, unless the context requires otherwise, a fiscal quarter of the Partnership, or, with respect to the fiscal quarter of the Partnership including the Effective Date, the portion of such fiscal quarter from and after the Effective Date.

“*Recapture Income*” means any gain recognized by the Partnership (computed without regard to any adjustment required by Section 734 or Section 743 of the Code) upon the disposition of any property or asset of the Partnership, which gain is characterized as ordinary income because it represents the recapture of deductions previously taken with respect to such property or asset.

“*Record Date*” means the date established by the Managing General Partner or otherwise in accordance with this Agreement for determining (a) the identity of the Record Holders entitled to notice of, or to vote at, any meeting of Limited Partners or entitled to vote by ballot or give approval of Partnership action in writing without a meeting or entitled to exercise rights in respect of any lawful action of Limited Partners or (b) the identity of Record Holders entitled to receive any report or distribution or to participate in any offer.

“*Record Holder*” means (a) with respect to Partnership Interests of any class of Partnership Interests for which a Transfer Agent has been appointed, the Person in whose name a Partnership Interest of such class is registered on the books of the Transfer Agent as of the opening of business on a particular Business Day, or (b) with respect to other classes of Partnership Interests, the Person in whose name any such other Partnership Interest is registered on the books that the Managing General Partner has caused to be kept as of the opening of business on such Business Day.

“*Redeemable Interests*” means any Partnership Interests for which a redemption notice has been given, and has not been withdrawn, pursuant to Section 4.10.

“*Registration Statement*” means the Registration Statement on Form S-1 (Registration No. 333-137588) as it has been or as it may be amended or supplemented from time to time, filed by CVR Energy, Inc. with the Commission under the Securities Act to register the offering and sale of Common Stock of CVR Energy, Inc.

“*Remaining Net Positive Adjustments*” means as of the end of any taxable period, (i) with respect to the Unitholders, the excess of (a) the Net Positive Adjustments of the Unitholders as of the end of such period over (b) the sum of those Partners’ Share of Additional Book Basis Derivative Items for each prior taxable period, and (ii) with respect to the Managing General Partner, the excess of (a) the Net Positive Adjustments of the Managing General Partner (in respect of the Incentive Distribution Rights) as of the end of such period over (b) the sum of the Share of Additional Book Basis Derivative Items of the Managing General Partner for each prior taxable period.

“*Required Allocations*” means (a) any limitation imposed on any allocation of Net Losses or Net Termination Losses under Section 6.1(b) or 6.1(c)(ii) and (b) any allocation of an item of income, gain, loss or deduction pursuant to Section 6.1(d)(i), 6.1(d)(ii), 6.1(d)(iv), 6.1(d)(v), 6.1(d)(vi), 6.1(d)(vii) or 6.1(d)(ix).

“*Residual Gain*” or “*Residual Loss*” means any item of gain or loss, as the case may be, of the Partnership recognized for federal income tax purposes resulting from a sale, exchange or other disposition of a Contributed Property or Adjusted Property, to the extent such item of gain



or loss is not allocated pursuant to Section 6.2(b)(i)(A) or 6.2(b)(ii)(A), respectively, to eliminate Book-Tax Disparities.

“*Retained Converted Subordinated Unit*” has the meaning assigned to such term in Section 5.3(d)(ii).

“*Second Liquidation Target Amount*” has the meaning assigned to such term in Section 6.1(c)(i)(E).

“*Second Target Distribution*” means \$0.4688 per Unit per Quarter (or, with respect to periods of less than a full fiscal quarter, it means the product of such amount multiplied by a fraction of which the numerator is the number of days in such period, and of which the denominator is the total number of days in such fiscal quarter), subject to adjustment in accordance with Sections 6.7 and 6.9.

“*Securities Act*” means the Securities Act of 1933, as amended, supplemented or restated from time to time and any successor to such statute.

“*Securities Exchange Act*” means the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time and any successor to such statute.

“*Share of Additional Book Basis Derivative Items*” means in connection with any allocation of Additional Book Basis Derivative Items for any taxable period, (i) with respect to the Unitholders, the amount that bears the same ratio to such Additional Book Basis Derivative Items as the Unitholders’ Remaining Net Positive Adjustments as of the end of such period bears to the Aggregate Remaining Net Positive Adjustments as of that time, (ii) with respect to the Managing General Partner, the amount that bears the same ratio to such Additional Book Basis Derivative Items as the Remaining Net Positive Adjustments of the Managing General Partner as of the end of such period bears to the Aggregate Remaining Net Positive Adjustments as of that time.

“*Special Approval*” means approval by a majority of the members or the sole member, as applicable, of the Conflicts Committee.

“*Special General Partner*” means CVR Special GP, LLC, a Delaware limited liability company, and its successors and permitted assigns that are admitted to the Partnership as special general partner of the Partnership, in their capacity as special general partner of the Partnership (except as the context otherwise requires).

“*Special General Partner Interest*” means the management and ownership interest of the Special General Partner in the Partnership, which is represented by Special GP Units and, following the Initial Offering will be represented by Subordinated GP Units or Common GP Units or a combination thereof, and includes any and all benefits to which the Special General Partner is entitled as provided in this Agreement, together with all obligations of the Special General Partner to comply with the terms and provisions of this Agreement.

“*Special GP Unit*” means a Unit representing, when outstanding, a fractional part of the Special General Partner Interest, and having the rights and obligations specified with respect to Special GP Units in this Agreement.

“*Special LP Unit*” means a Unit representing, when outstanding, a fractional part of the Partnership Interests of all Limited Partners, and having the rights and obligations specified with respect to Special LP Units in this Agreement.

“*Special Unit*” means a Special LP Unit or a Special GP Unit.

“*Subordinated GP Unit*” means a Unit representing, when outstanding, a fractional part of the Special General Partner Interest, and having the rights and obligations specified with respect to Subordinated GP Units in this Agreement. The term “Subordinated GP Unit” does not refer to, or include, any Common GP Unit. A Subordinated GP Unit that is convertible into a Common GP Unit shall not constitute a Common GP Unit until such conversion occurs.

“*Subordinated LP Unit*” means a Unit representing, when outstanding, a fractional part of the Partnership Interests of all Limited Partners and having the rights and obligations specified with respect to Subordinated Units in this Agreement. The term “Subordinated LP Unit” does not refer to, or include, any Common LP Unit. A Subordinated LP Unit that is convertible into a Common LP Unit shall not constitute a Common LP Unit until such conversion occurs.

“*Subordinated Unit*” means a Subordinated LP Unit or a Subordinated GP Unit.

“*Subordination Period*” means the period commencing on the IO Closing Date and ending on the first to occur of the following dates:

(a) the second Business Day following the distribution of Available Cash to Partners pursuant to Section 6.3(a) in respect of any Quarter, beginning with the Quarter in which the fifth anniversary of the IO Closing Date occurs, in respect of which (i) (A) distributions of Available Cash from Operating Surplus on each of the Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units with respect to each of the three consecutive, non-overlapping four-Quarter periods immediately preceding such date equaled or exceeded the sum of the Minimum Quarterly Distribution on all Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units during such periods and (B) the Adjusted Operating Surplus for each of the three consecutive, non-overlapping four-Quarter periods immediately preceding such date equaled or exceeded the sum of the Minimum Quarterly Distribution on all of the Common Units and Subordinated Units and any other Units that are senior or equal in right of distribution to the Subordinated Units that were Outstanding during such periods on a Fully Diluted Basis, with respect to such periods and (ii) there are no Cumulative Common Unit Arrearages; and

(b) the date all Subordinated Units convert to Common Units pursuant to Section 11.4.

“*Subsidiary*” means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency)

to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general or limited partner of such partnership, but only if more than 50% of the partnership interests of such partnership (considering all of the partnership interests of the partnership as a single class) is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person, or a combination thereof, or (c) any other Person (other than a corporation or a partnership) in which such Person, one or more Subsidiaries of such Person, or a combination thereof, directly or indirectly, at the date of determination, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors or other governing body of such Person.

“*Surviving Business Entity*” has the meaning assigned to such term in Section 14.2(b).

“*Third Target Distribution*” means \$0.5625 per Unit per Quarter (or, with respect to periods of less than a full fiscal quarter, it means the product of such amount multiplied by a fraction of which the numerator is the number of days in such period, and of which the denominator is the total number of days in such fiscal quarter), subject to adjustment in accordance with Sections 6.7 and 6.9.

“*Trading Day*” means, for the purpose of determining the Current Market Price of any class of Limited Partner Interests, a day on which the principal National Securities Exchange on which such class of Limited Partner Interests are listed or admitted to trading is open for the transaction of business or, if Limited Partner Interests of a class are not listed or admitted to trading on any National Securities Exchange, a day on which banking institutions in New York City generally are open.

“*transfer*” has the meaning assigned to such term in Section 4.4(a).

“*Transfer Agent*” means such bank, trust company or other Person (including the Managing General Partner or one of its Affiliates) as may be appointed from time to time by the Partnership to act as registrar and transfer agent for any class of Partnership Interests; provided that if no Transfer Agent is specifically designated for any class of Partnership Interests, the Managing General Partner shall act in such capacity.

“*Unit*” means a Partnership Interest that is designated as a “Unit” and shall include Special Units, Common Units and Subordinated Units but shall not include the Managing General Partner Interest or the associated Incentive Distribution Rights.

“*Unitholders*” means the holders of Units.

“*Unit Majority*” means, (a) prior to the Initial Offering, at least a majority of the Outstanding Units, voting as a single class, (b) during the Subordination Period, at least a majority of the Outstanding Common Units (excluding Common Units owned by the Managing General Partner and its Affiliates) voting as a class and at least a majority of the Outstanding Subordinated Units voting as a class, and (c) after the end of the Subordination Period, at least a majority of the Outstanding Common Units.

“Unpaid MQD” has the meaning assigned to such term in Section 6.1(c)(i)(B).

“Unrealized Gain” attributable to any item of Partnership property means, as of any date of determination, the excess, if any, of (a) the fair market value of such property as of such date (as determined under Section 5.3(d)) over (b) the Carrying Value of such property as of such date (prior to any adjustment to be made pursuant to Section 5.3(d) as of such date).

“Unrealized Loss” attributable to any item of Partnership property means, as of any date of determination, the excess, if any, of (a) the Carrying Value of such property as of such date (prior to any adjustment to be made pursuant to Section 5.3(d) as of such date) over (b) the fair market value of such property as of such date (as determined under Section 5.3(d)).

“Unrecovered Initial Unit Price” means at any time, with respect to a Unit, the Initial Unit Price less the sum of all distributions constituting Capital Surplus theretofore made in respect of an Initial Unit and any distributions of cash (or the Net Agreed Value of any distributions in kind) in connection with the dissolution and liquidation of the Partnership theretofore made in respect of an Initial Unit, adjusted as the Managing General Partner determines to be appropriate to give effect to any distribution, subdivision, combination or reorganization of such Units. The Unrecovered Initial Unit Price will be reset to the Initial Unit Price upon the closing of the Initial Offering.

“Unrestricted Person” means each Indemnitee, each Partner and each Person who is or was a member, partner, director, officer, employee or agent of any Group Member, a General Partner or any Departing General Partner or any Affiliate of any Group Member, a General Partner or any Departing General Partner

“U.S. GAAP” means United States generally accepted accounting principles, as in effect from time to time, consistently applied.

“Withdrawal Opinion of Counsel” has the meaning assigned to such term in Section 11.1(b).

“Working Capital Borrowings” means borrowings used solely for working capital purposes or to pay distributions to Partners, made pursuant to a credit facility, commercial paper facility or similar financing arrangement; provided that when incurred it is the intent of the borrower to repay such borrowings within 12 months from sources other than additional Working Capital Borrowings.

Section 1.2 *Construction*. Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa; (b) references to Articles and Sections refer to Articles and Sections of this Agreement; (c) the terms “include”, “includes”, “including” and words of like import shall be deemed to be followed by the words “without limitation”; and (d) the terms “hereof”, “herein” and “hereunder” refer to this Agreement as a whole and not to any particular provision of this Agreement. The table of contents and headings contained in this Agreement are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement.

**ARTICLE II  
ORGANIZATION**

Section 2.1 *Formation*. The General Partners and the Organizational Limited Partner have formed the Partnership as a limited partnership pursuant to the provisions of the Delaware Act. The General Partners and the Organizational Limited Partner hereby amend and restate the original Agreement of Limited Partnership of the Partnership in its entirety. This amendment and restatement shall become effective on the date of hereof. Except as expressly provided to the contrary in this Agreement, the rights, duties (including fiduciary duties), liabilities and obligations of the Partners and the administration, dissolution and termination of the Partnership shall be governed by the Delaware Act.

Section 2.2 *Name*. The name of the Partnership shall be "CVR Partners, LP". The Partnership's business may be conducted under any other name or names as determined by the Managing General Partner, including the name of the Managing General Partner. The words "Limited Partnership," the letters "LP," or "Ltd." or similar words or letters shall be included in the Partnership's name where necessary for the purpose of complying with the laws of any jurisdiction that so requires. The Managing General Partner may change the name of the Partnership at any time and from time to time and shall notify the Partners of such change in the next regular communication to the Partners.

Section 2.3 *Registered Office; Registered Agent; Principal Office; Other Offices*. Unless and until changed by the Managing General Partner, the registered office of the Partnership in the State of Delaware shall be located at 1209 Orange Street, Wilmington, Delaware 19801, and the registered agent for service of process on the Partnership in the State of Delaware at such registered office shall be The Corporation Trust Company. The principal office of the Partnership shall be located at 2277 Plaza Drive, Suite 500, Sugar Land, Texas 77479 or such other place as the Managing General Partner may from time to time designate by notice to the Partners. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the Managing General Partner shall determine necessary or appropriate. The address of the Managing General Partner shall be 2277 Plaza Drive, Suite 500, Sugar Land, Texas 77479 or such other place as the Managing General Partner may from time to time designate by notice to the Partners.

Section 2.4 *Purpose and Business*. The purpose and nature of the business to be conducted by the Partnership shall be to engage directly in, or enter into or form, hold and dispose of any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that is approved by the Managing General Partner and, to the extent required by Section 7.3, the Special General Partner, in their respective sole discretion, and that lawfully may be conducted by a limited partnership organized pursuant to the Delaware Act and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership pursuant to the agreements relating to such business activity, and do anything necessary or appropriate to the foregoing, including the making of capital contributions or loans to a Group Member; provided, however, that the without the approval of Unitholders holding at least 90% of the Outstanding Units (including Units held by the Managing General Partner and its Affiliates) voting as a single class the Managing General Partner shall not cause the Partnership to take any action that the Managing General Partner

determines would cause the Partnership to be treated as an association taxable as a corporation or otherwise taxable as an entity for federal income tax purposes. To the fullest extent permitted by law, the Managing General Partner shall have no duty or obligation to propose or approve, and may, in its individual capacity, decline to propose or approve, the conduct by the Partnership of any business.

Section 2.5 *Powers*. The Partnership shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described in Section 2.4 and for the protection and benefit of the Partnership.

Section 2.6 *Power of Attorney*.

(a) Each Partner hereby constitutes and appoints the Managing General Partner and, if a Liquidator shall have been selected pursuant to Section 12.3, the Liquidator, severally (and any successor to the Liquidator by merger, transfer, assignment, election or otherwise) and each of their authorized officers and attorneys-in-fact, as the case may be, with full power of substitution, as his true and lawful agent and attorney-in-fact, with full power and authority in his name, place and stead, to:

(i) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (A) all certificates, documents and other instruments (including this Agreement and the Certificate of Limited Partnership and all amendments or restatements hereof or thereof) that the Managing General Partner or the Liquidator determines to be necessary or appropriate to form, qualify or continue the existence or qualification of the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware and in all other jurisdictions in which the Partnership may conduct business or own property; (B) all certificates, documents and other instruments that the Managing General Partner or the Liquidator determines to be necessary or appropriate to reflect, in accordance with its terms, any amendment, change, modification or restatement of this Agreement; (C) all certificates, documents and other instruments (including conveyances and a certificate of cancellation) that the Managing General Partner or the Liquidator determines to be necessary or appropriate to reflect the dissolution and termination of the Partnership pursuant to the terms of this Agreement; (D) all certificates, documents and other instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or other events described in, Article IV, X, XI or XII; (E) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges of any class or series of Partnership Interests issued pursuant to Section 5.4; and (F) all certificates, documents and other instruments (including agreements and a certificate of merger) relating to a merger, consolidation or conversion of the Partnership pursuant to Article XIV; and

(ii) execute, swear to, acknowledge, deliver, file and record all ballots, consents, approvals, waivers, certificates, documents and other instruments that the Managing General Partner or the Liquidator determines to be necessary or appropriate to (A) make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action that is made or given by the Partners hereunder or is consistent with the

terms of this Agreement or (B) effectuate the terms or intent of this Agreement; provided, that when required by Section 13.3 or any other provision of this Agreement that establishes a percentage of the Partners or of the Partners of any class or series required to take any action, or provides any management rights of the Special General Partner the Managing General Partner and the Liquidator may exercise the power of attorney made in this Section 2.6(a)(ii) only after the necessary vote, consent or approval of such percentage of the Partners or of the Partners of such class or series or approval by the Special General Partner, as applicable.

Nothing contained in this Section 2.6(a) shall be construed as authorizing the Managing General Partner to amend this Agreement except in accordance with Article XIII or as may be otherwise expressly provided for in this Agreement.

(b) The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and, to the maximum extent permitted by law, not be affected by the subsequent death, incompetency, disability, incapacity, dissolution, bankruptcy or termination of any Partner and the transfer of all or any portion of such Partner's Partnership Interest and shall extend to such Partner's heirs, successors, assigns and personal representatives. Each Partner hereby agrees to be bound by any representation made by the Managing General Partner or the Liquidator acting in good faith pursuant to such power of attorney; and each Partner, to the maximum extent permitted by law, hereby waives any and all defenses that may be available to contest, negate or disaffirm the action of the Managing General Partner or the Liquidator taken in good faith under such power of attorney. Each Partner shall execute and deliver to the Managing General Partner or the Liquidator, within 15 days after receipt of the request therefor, such further designation, powers of attorney and other instruments as the Managing General Partner or the Liquidator may request in order to effectuate this Agreement and the purposes of the Partnership.

**Section 2.7 Term.** The term of the Partnership commenced upon the filing of the Certificate of Limited Partnership in accordance with the Delaware Act and shall continue until the dissolution of the Partnership in accordance with the provisions of Article XII. The existence of the Partnership as a separate legal entity shall continue until the cancellation of the Certificate of Limited Partnership as provided in the Delaware Act.

**Section 2.8 Title to Partnership Assets.** Title to Partnership assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partner, individually or collectively, shall have any ownership interest in such Partnership assets or any portion thereof. Title to any or all of the Partnership assets may be held in the name of the Partnership, the Managing General Partner, one or more of its Affiliates or one or more nominees, as the Managing General Partner may determine. The Managing General Partner hereby declares and warrants that any Partnership assets for which record title is held in the name of the Managing General Partner or one or more of its Affiliates or one or more nominees shall be held by the Managing General Partner or such Affiliate or nominee for the use and benefit of the Partnership in accordance with the provisions of this Agreement; provided, however, that the Managing General Partner shall use reasonable efforts to cause record title to such assets (other than those assets in respect of which the Managing General Partner determines that the expense and difficulty of conveyancing makes transfer of

record title to the Partnership impracticable) to be vested in the Partnership as soon as reasonably practicable; provided, further, that, prior to the withdrawal or removal of the Managing General Partner or as soon thereafter as practicable, the Managing General Partner shall use reasonable efforts to effect the transfer of record title to the Partnership and, prior to any such transfer, will provide for the use of such assets in a manner satisfactory to the Managing General Partner. All Partnership assets shall be recorded as the property of the Partnership in its books and records, irrespective of the name in which record title to such Partnership assets is held.

### ARTICLE III RIGHTS OF LIMITED PARTNERS

Section 3.1 *Limitation of Liability*. The Limited Partners shall have no liability under this Agreement except as expressly provided in this Agreement or the Delaware Act.

Section 3.2 *Management of Business*. No Limited Partner, in its capacity as such, shall participate in the operation, management or control (within the meaning of the Delaware Act) of the Partnership's business, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership. Any action taken by any Affiliate of the Managing General Partner or any officer, director, employee, manager, member, general partner, agent or trustee of the Managing General Partner or any of its Affiliates, or any officer, director, employee, manager, member, general partner, agent or trustee of a Group Member, in its capacity as such, shall not be deemed to be participation in the control of the business of the Partnership by a limited partner of the Partnership (within the meaning of Section 17-303(a) of the Delaware Act) and shall not affect, impair or eliminate the limitations on the liability of the Limited Partners under this Agreement.

Section 3.3 *Outside Activities of the Limited Partners*. Subject to the provisions of Section 7.5 and the Omnibus Agreement, which shall continue to be applicable to the Persons referred to therein, regardless of whether such Persons shall also be Limited Partners, each Limited Partner shall be entitled to and may have any business interests and engage in any business activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership Group. Neither the Partnership nor any of the other Partners shall have any rights by virtue of this Agreement in any business ventures of any Limited Partner.

Section 3.4 *Rights of Limited Partners*.

(a) In addition to other rights provided by this Agreement or by applicable law, and except as limited by Section 3.4(b), each Limited Partner shall have the right, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner's own expense:

- (i) to obtain true and full information regarding the status of the business and financial condition of the Partnership;
- (ii) promptly after its becoming available, to obtain a copy of the Partnership's federal, state and local income tax returns for each year;



(iii) to obtain a current list of the name and last known business, residence or mailing address of each Partner;

(iv) to obtain a copy of this Agreement and the Certificate of Limited Partnership and all amendments thereto, together with copies of the executed copies of all powers of attorney pursuant to which this Agreement, the Certificate of Limited Partnership and all amendments thereto have been executed;

(v) to obtain true and full information regarding the amount of cash and a description and statement of the Net Agreed Value of any other Capital Contribution by each Partner and that each Partner has agreed to contribute in the future, and the date on which each became a Partner; and

(vi) to obtain such other information regarding the affairs of the Partnership as is just and reasonable.

(b) The Managing General Partner may keep confidential from the Limited Partners, for such period of time as the Managing General Partner deems reasonable, (i) any information that the Managing General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the Managing General Partner believes (A) is not in the best interests of the Partnership Group, (B) could damage the Partnership Group or its business or (C) that any Group Member is required by law or by agreement with any third party to keep confidential (other than agreements with Affiliates of the Partnership the primary purpose of which is to circumvent the obligations set forth in this Section 3.4).

**ARTICLE IV  
CERTIFICATES; RECORD HOLDERS; TRANSFER OF PARTNERSHIP INTERESTS;  
REDEMPTION OF PARTNERSHIP INTERESTS**

Section 4.1 *Certificates*. Notwithstanding anything otherwise to the contrary herein, unless the Managing General Partner shall determine otherwise in respect of some or all of any or all classes of Partnership Interests, Partnership Interests shall not be evidenced by certificates. Certificates that may be issued shall be executed on behalf of the Partnership by the Chairman of the Board, President or any Executive Vice President or Vice President and the Secretary or any Assistant Secretary of the Managing General Partner. If a Transfer Agent has been appointed for a class of Partnership Interests, no Certificate for such class of Partnership Interests shall be valid for any purpose until it has been countersigned by the Transfer Agent; provided, however, that if the Managing General Partner elects to cause the Partnership to issue Partnership Interests of such class in global form, the Certificate shall be valid upon receipt of a certificate from the Transfer Agent certifying that the Partnership Interests have been duly registered in accordance with the directions of the Partnership. Subject to the requirements of Section 6.8(b), if Common Units are evidenced by Certificates the Record Holders of Subordinated Units, (i) may, if the Subordinated Units are evidenced by Certificates, exchange such Certificates for Certificates evidencing Common Units or (ii) if the Subordinated Units are not evidenced by Certificates, shall be issued Certificates evidencing Common Units, in either case on or after the date on which such Subordinated Units are converted into Common Units pursuant to the terms of Section 5.6.

Section 4.2 *Mutilated, Destroyed, Lost or Stolen Certificates.*

(a) If any mutilated Certificate is surrendered to the Transfer Agent (or the Managing General Partner, if there is no Transfer Agent for the applicable class of Partnership Interests), the appropriate officers of the Managing General Partner on behalf of the Partnership shall execute, and, if applicable, the Transfer Agent shall countersign and deliver in exchange therefor, a new Certificate evidencing the same number and type of Partnership Interests as the Certificate so surrendered.

(b) The appropriate officers of the Managing General Partner on behalf of the Partnership shall execute and deliver, and, if applicable, the Transfer Agent shall countersign, a new Certificate in place of any Certificate previously issued if the Record Holder of the Certificate:

(i) makes proof by affidavit, in form and substance satisfactory to the Managing General Partner, that a previously issued Certificate has been lost, destroyed or stolen;

(ii) requests the issuance of a new Certificate before the Managing General Partner has notice that the Certificate has been acquired by a purchaser for value in good faith and without notice of an adverse claim;

(iii) if requested by the Managing General Partner, delivers to the Managing General Partner a bond, in form and substance satisfactory to the Managing General Partner, with surety or sureties and with fixed or open penalty as the Managing General Partner may direct, to indemnify the Partnership, the Partners, the Managing General Partner and the Transfer Agent against any claim that may be made on account of the alleged loss, destruction or theft of the Certificate; and

(iv) satisfies any other reasonable requirements imposed by the Managing General Partner.

If a Partner fails to notify the Managing General Partner within a reasonable period of time after such Partner has notice of the loss, destruction or theft of a Certificate, and a transfer of the Partner Interests represented by the Certificate is registered before the Partnership, the Managing General Partner or the Transfer Agent receives such notification, the Partner shall be precluded from making any claim against the Partnership, the Managing General Partner or the Transfer Agent for such transfer or for a new Certificate.

(c) As a condition to the issuance of any new Certificate under this Section 4.2, the Managing General Partner may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Transfer Agent, if applicable) reasonably connected therewith.

Section 4.3 *Record Holders.* The Partnership shall be entitled to recognize the Record Holder as the Partner with respect to any Partnership Interest and, accordingly, shall not be bound to recognize any equitable or other claim to, or interest in, such Partnership Interest on the part of any other Person, regardless of whether the Partnership shall have actual or other notice

thereof, except as otherwise provided by law or any applicable rule, regulation, guideline or requirement of any National Securities Exchange on which such Partnership Interests are listed or admitted to trading. Without limiting the foregoing, when a Person (such as a broker, dealer, bank, trust company or clearing corporation or an agent of any of the foregoing) is acting as nominee, agent or in some other representative capacity for another Person in acquiring and/or holding Partnership Interests, as between the Partnership on the one hand, and such other Persons on the other, such representative Person shall be (a) the Record Holder of such Partnership Interest and (b) shall be bound by this Agreement and shall have the rights and obligations of a Partner hereunder as, and to the extent, provided herein.

*Section 4.4 Transfer Generally.*

(a) The term "transfer," when used in this Agreement with respect to a Partnership Interest, shall mean a transaction (i) by which the Managing General Partner assigns its Managing General Partner Interest to another Person, and includes a sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition by law or otherwise, (ii) by which the Special General Partner assigns its Special General Partner Interest to another Person, and includes a sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition by law or otherwise or (iii) by which the holder of a Limited Partner Interest assigns such Limited Partner Interest to another Person who is or becomes a Limited Partner, and includes a sale, assignment, gift, exchange or any other disposition by law or otherwise, including any transfer upon foreclosure of any pledge, encumbrance, hypothecation or mortgage.

(b) No Partnership Interest shall be transferred, in whole or in part, except in accordance with the terms and conditions set forth in this Article IV. Any transfer or purported transfer of a Partnership Interest not made in accordance with this Article IV shall be null and void.

(c) Nothing contained in this Agreement shall be construed to prevent a disposition by any stockholder, member, partner or other owner of any Partner of any or all of the shares of stock, membership interests, partnership interests or other ownership interests in such Partner and the term "transfer" shall not mean any such disposition.

*Section 4.5 Registration and Transfer of Limited Partner Interests.*

(a) The Managing General Partner shall keep or cause to be kept on behalf of the Partnership a register in which, subject to such reasonable regulations as it may prescribe and subject to the provisions of Section 4.5(b), the Partnership will provide for the registration and transfer of Limited Partner Interests.

(b) The Partnership shall not recognize any transfer of Limited Partner Interests evidenced by Certificates until the Certificates evidencing such Limited Partner Interests are surrendered for registration of transfer. No charge shall be imposed by the Managing General Partner for such transfer; provided, that as a condition to the issuance of any new Certificate under this Section 4.5, the Managing General Partner may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed with respect

thereto. Upon surrender of a Certificate for registration of transfer of any Limited Partner Interests evidenced by a Certificate, and subject to the provisions hereof, the appropriate officers of the Managing General Partner on behalf of the Partnership shall execute and deliver, and in the case of Certificates evidencing Limited Partner Interests for which a Transfer Agent has been appointed, the Transfer Agent shall countersign and deliver, in the name of the holder or the designated transferee or transferees, as required pursuant to the holder's instructions, one or more new Certificates evidencing the same aggregate number and type of Limited Partner Interests as was evidenced by the Certificate so surrendered.

(c) By acceptance of the transfer of any Limited Partner Interests in accordance with this Section 4.5 and except as provided in Section 4.9, each transferee of a Limited Partner Interest (including any nominee holder or an agent or representative acquiring such Limited Partner Interests for the account of another Person) (i) shall be admitted to the Partnership as a Limited Partner with respect to the Limited Partner Interests so transferred to such Person when any such transfer or admission is reflected in the books and records of the Partnership and such Limited Partner becomes the Record Holder of the Limited Partner Interests so transferred, with or without execution of this Agreement, (ii) shall become bound by the terms of this Agreement, (iii) represents that the transferee has the capacity, power and authority to enter into this Agreement, (iv) grants the powers of attorney set forth in this Agreement and (v) makes the consents and waivers contained in this Agreement. The transfer of any Limited Partner Interests and the admission of any new Limited Partner shall not constitute an amendment to this Agreement.

(d) Subject to (i) the foregoing provisions of this Section 4.5, (ii) Section 4.3, (iii) Section 4.8, (iv) with respect to any series of Limited Partner Interests, the provisions of any statement of designations establishing such series, (v) any contractual provisions binding on any Limited Partner and (vi) provisions of applicable law including the Securities Act, Limited Partner Interests shall be freely transferable.

*Section 4.6 Registration and Transfer of the Special General Partner Interest.*

(a) The Managing General Partner shall keep or cause to be kept on behalf of the Partnership a register in which, subject to such reasonable regulations as it may prescribe and subject to the provisions of Section 4.6(b), the Partnership will provide for the registration and transfer of Special General Partner Interests.

(b) The Partnership shall not recognize any transfer of Special General Partner Interests evidenced by Certificates until the Certificates evidencing such Special General Partner Interests are surrendered for registration of transfer. No charge shall be imposed by the Managing General Partner for such transfer; provided, that as a condition to the issuance of any new Certificate under this Section 4.6, the Managing General Partner may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed with respect thereto. Upon surrender of a Certificate for registration of transfer of any Special General Partner Interests evidenced by a Certificate, and subject to the provisions hereof, the appropriate officers of the Managing General Partner on behalf of the Partnership shall execute and deliver, and in the case of Certificates evidencing Special General Partner Interests for which a Transfer Agent has been appointed, the Transfer Agent shall countersign and deliver, in the name of the

holder or the designated transferee or transferees, as required pursuant to the holder's instructions, one or more new Certificates evidencing the same aggregate number and type of Special General Partner Interests as was evidenced by the Certificate so surrendered.

(c) The Special GP Units, Common GP Units and Subordinated GP Units are transferable as Special GP Units, Common GP Units and Subordinated GP Units only to Affiliates of the Special General Partner. If the Special General Partner desires to transfer Special GP Units, Common GP Units or Subordinated GP Units to Persons who are not Affiliates of the Special General Partner, the Special General Partner shall give notice to the Managing General Partner prior to effecting any such transfer. Each Special GP Unit, Common GP Unit and Subordinated GP Unit will automatically convert into a Special LP Unit, Common LP Unit or Subordinated LP Unit, respectively, on a one-for-one basis immediately prior to the transfer of such Unit to any Person who is not an Affiliate of the Special General Partner. The transfer of such converted Special GP Units, Common GP Units and Subordinated GP Units shall be governed by the provisions of this Agreement relating to transfer of Limited Partner Interests as if such Special GP Units, Common GP Units and Subordinated GP Units were Special LP Units, Common LP Units or Subordinated LP Units, respectively. By acceptance of the transfer of any Special General Partner Interests (whether it be represented by Special GP Units, Common GP Units or Subordinated GP Units) in accordance with this Section 4.6 and except as provided in Section 4.9, each transferee of a Special General Partner Interest (who, for clarification, must be an Affiliate of the Special General Partner) (i) shall be admitted to the Partnership as a Special General Partner with respect to the Special General Partner Interests so transferred to such Person when any such transfer or admission is reflected in the books and records of the Partnership and such Special General Partner becomes the Record Holder of the Special General Partner Interests so transferred, with or without execution of this Agreement, (ii) shall become bound by the terms of this Agreement, (iii) represents that the transferee has the capacity, power and authority to enter into this Agreement, (iv) grants the powers of attorney set forth in this Agreement and (v) makes the consents and waivers contained in this Agreement. The transfer of any Special General Partner Interests and the admission of any new Special General Partner shall not constitute and amendment to this Agreement. If the Special General Partner transfers some, but less than all, of its Special General Partner to an Affiliate who is admitted to the Partnership as a Special General Partner, such that there is more than one Special General Partner, the Managing General Partner shall, with the advice of the Special General Partners, amend this Agreement as the Managing General Partner determines necessary or appropriate to allocate the rights and obligations of the Special General Partner Interest among the Special General Partners, Pro Rata, and to provide for exercise of such rights by majority or individual vote.

(d) Subject to (i) the foregoing provisions of this Section 4.6, (ii) Section 4.3, (iii) Section 4.8, (iv) with respect to any series of Special General Partner Interests, the provisions of any statement of designations establishing such series, (v) any contractual provisions binding on any Special General Partner and (vi) provisions of applicable law including the Securities Act, Special General Partner Interests shall be freely transferable

*Section 4.7 Transfer of the Managing General Partner Interest.*

(a) Subject to Section 4.7(c) below, prior to the tenth anniversary of the Closing Date, the Managing General Partner shall not transfer all or any part of its Managing General Partner Interest to a Person unless such transfer (i) has been approved by (X) the prior written consent or vote of the holders of at least a majority of the Outstanding Units (excluding Units held by the Managing General Partner and its Affiliates) and (Y) the Special General Partner or (ii) is of all, but not less than all, of its Managing General Partner Interest to (A) an Affiliate of the Managing General Partner (other than an individual) or (B) another Person (other than an individual) in connection with the merger or consolidation of the Managing General Partner with or into such other Person or the transfer by the Managing General Partner of all or substantially all of its assets to such other Person.

(b) Subject to Section 4.7(c) below, on or after the tenth anniversary of the Closing Date, the Managing General Partner may transfer all or any part of its Managing General Partner Interest without Unitholder approval.

(c) Notwithstanding anything herein to the contrary, no transfer by the Managing General Partner of all or any part of its Managing General Partner Interest to another Person shall be permitted unless (i) the transferee agrees to assume the rights and duties of the Managing General Partner under this Agreement and to be bound by the provisions of this Agreement, (ii) the Partnership receives an Opinion of Counsel that such transfer would not result in the loss of limited liability under Delaware law of any Limited Partner or cause the Partnership to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for federal income tax purposes (to the extent not already so treated or taxed) and (iii) such transferee also agrees to purchase all (or the appropriate portion thereof, if applicable) of the partnership or membership interest of the Managing General Partner as the general partner or managing member, if any, of each other Group Member. In the case of a transfer pursuant to and in compliance with this Section 4.6, the transferee or successor (as the case may be) shall, subject to compliance with the terms of Section 10.2, be admitted to the Partnership as the Managing General Partner effective immediately prior to the transfer of the Managing General Partner Interest, and the business of the Partnership shall continue without dissolution.

(d) The Incentive Distribution Rights are an inseparable part of the Managing General Partner Interest and are not transferable apart from the Managing General Partner Interest.

*Section 4.8 Restrictions on Transfers.*

(a) Except as provided in Section 4.8(d) below, but notwithstanding the other provisions of this Article IV, no transfer of any Partnership Interests shall be made if such transfer would (i) violate the then applicable U.S. federal or state securities laws or rules and regulations of the Commission, any state securities commission or any other governmental authority with jurisdiction over such transfer, (ii) terminate the existence or qualification of the Partnership under the laws of the jurisdiction of its formation, or (iii) cause the Partnership to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for U.S. federal income tax purposes (to the extent not already so treated or taxed).

(b) The Managing General Partner may impose restrictions on the transfer of Partnership Interests if the Managing General Partner determines, with the advice of counsel, that such restrictions are necessary or advisable to avoid a significant risk of the Partnership becoming taxable as a corporation or otherwise becoming taxable as an entity for U.S. federal income tax purposes. The Managing General Partner may impose such restrictions by amending this Agreement; provided, however, that any amendment that would result in the delisting or suspension of trading of any class of Limited Partner Interests on the principal National Securities Exchange on which such class of Limited Partner Interests is then listed or admitted to trading must be approved, prior to such amendment being effected, by the holders of at least a majority of the Outstanding Limited Partner Interests of such class.

(c) The transfer of a Subordinated Unit that has converted into a Common Unit shall be subject to the restrictions imposed by Section 6.8(b).

(d) Nothing contained in this Article IV, or elsewhere in this Agreement, shall preclude the settlement of any transactions involving Partnership Interests entered into through the facilities of any National Securities Exchange on which such Partnership Interests are listed or admitted to trading.

*Section 4.9 Eligible Holders.*

(a) If any Group Member is or becomes subject to any law or regulation that the Managing General Partner determines would create a substantial risk of cancellation or forfeiture of any property in which the Group Member has an interest based on the nationality, citizenship or other related status of a Partner, the Managing General Partner may amend this Agreement to impose requirements for each Partner to be eligible to be a Partner in the Partnership. If the Managing General Partner establishes any such requirement, the Managing General Partner may request any Partner to furnish to the Managing General Partner, within 30 days after receipt of such request, an executed Eligibility Certification or such other information concerning his nationality, citizenship or other related status (or, if the Partner is a nominee holding for the account of another Person, the nationality, citizenship or other related status of such Person) as the Managing General Partner may request. If a Partner fails to furnish to the Managing General Partner within the aforementioned 30-day period such Eligibility Certification or other requested information or if upon receipt of such Eligibility Certification or other requested information the Managing General Partner determines that a Partner is not an Eligible Holder, the Partnership Interests owned by such Limited Partner shall be subject to redemption in accordance with the provisions of Section 4.10. In addition, the Managing General Partner may require that the status of any such Partner be changed to that of an Ineligible Holder and, thereupon, the Managing General Partner shall be substituted for such Ineligible Holder as the Partner in respect of the Ineligible Holder's Partnership Interests.

(b) The Managing General Partner shall, in exercising voting rights in respect of Partnership Interests held by it on behalf of Ineligible Holders, cast the votes in the same ratios as the votes of Partners (including the General Partners) in respect of Partnership Interests other than those of Ineligible Holders are cast, either for, against or abstaining as to the matter.

(c) Upon dissolution of the Partnership, an Ineligible Holder shall have no right to receive a distribution in kind pursuant to Section 12.4 but shall be entitled to the cash equivalent thereof, and the Partnership shall provide cash in exchange for an assignment of the Ineligible Holder's share of any distribution in kind. Such payment and assignment shall be treated for Partnership purposes as a purchase by the Partnership from the Ineligible Holder of his Partnership Interest (representing his right to receive his share of such distribution in kind).

(d) At any time after he can and does certify that he has become an Eligible Holder, an Ineligible Holder may, upon application to the Managing General Partner, request that with respect to any Partnership Interests of such Ineligible Holder not redeemed pursuant to Section 4.10, such Ineligible Holder be admitted as a Partner, and upon approval of the Managing General Partner, such Ineligible Holder shall be admitted as a Partner and shall no longer constitute an Ineligible Holder and the Managing General Partner shall cease to be deemed to be the Partner in respect of the Ineligible Holder's Partnership Interests.

*Section 4.10 Redemption of Partnership Interests of Ineligible Holders.*

(a) If at any time a Partner fails to furnish an Eligibility Certification or other information requested within the 30-day period specified in Section 4.9(a), or if upon receipt of such Eligibility Certification or other information the Managing General Partner determines, with the advice of counsel, that a Partner is not an Eligible Holder, the Partnership may, unless the Partner establishes to the satisfaction of the Managing General Partner that such Partner is an Eligible Holder or has transferred his Partnership Interests to a Person who is an Eligible Holder and who furnishes an Eligibility Certification to the Managing General Partner prior to the date fixed for redemption as provided below, redeem the Partnership Interest of such Partner as follows:

(i) The Managing General Partner shall, not later than the 30th day before the date fixed for redemption, give notice of redemption to the Partner, at his last address designated on the records of the Partnership or the Transfer Agent, as applicable, by registered or certified mail, postage prepaid. The notice shall be deemed to have been given when so mailed. The notice shall specify the Redeemable Interests, the date fixed for redemption, the place of payment, that payment of the redemption price will be made upon redemption of the Redeemable Interests (or, if later in the case of Redeemable Interests evidenced by Certificates, upon surrender of the Certificate evidencing the Redeemable Interests and that on and after the date fixed for redemption no further allocations or distributions to which the Partner would otherwise be entitled in respect of the Redeemable Interests will accrue or be made.

(ii) The aggregate redemption price for Redeemable Interests shall be an amount equal to the Current Market Price (the date of determination of which shall be the date fixed for redemption) of Partnership Interests of the class to be so redeemed multiplied by the number of Partnership Interests of each such class included among the Redeemable Interests. The redemption price shall be paid, as determined by the Managing General Partner, in cash or by delivery of a promissory note of the Partnership in the principal amount of the redemption price, bearing interest at the rate of 8%



annually and payable in three equal annual installments of principal together with accrued interest, commencing one year after the redemption date.

(iii) The Partner or his duly authorized representative shall be entitled to receive the payment for the Redeemable Interests at the place of payment specified in the notice of redemption on the redemption date (or, if later in the case of Redeemable Interests evidenced by Certificates, upon surrender by or on behalf of the Partner at the place specified in the notice of redemption, of the Certificate evidencing the Redeemable Interests, duly endorsed in blank or accompanied by an assignment duly executed in blank).

(iv) After the redemption date, Redeemable Interests shall no longer constitute issued and Outstanding Partnership Interests.

(b) The provisions of this Section 4.10 shall also be applicable to Partnership Interests held by a Partner as nominee of a Person determined to be an Ineligible Holder.

(c) Nothing in this Section 4.10 shall prevent the recipient of a notice of redemption from transferring his Partnership Interest before the redemption date if such transfer is otherwise permitted under this Agreement. Upon receipt of notice of such a transfer, the Managing General Partner shall withdraw the notice of redemption, provided the transferee of such Partnership Interest certifies to the satisfaction of the Managing General Partner that he is an Eligible Holder. If the transferee fails to make such certification, such redemption shall be effected from the transferee on the original redemption date.

## ARTICLE V CAPITAL CONTRIBUTIONS AND ISSUANCE OF PARTNERSHIP INTERESTS

### Section 5.1 *Contributions by the General Partners and their Affiliates.*

(a) In connection with the formation of the Partnership under the Delaware Act, the Managing General Partner made an initial Capital Contribution to the Partnership in the amount of \$1,000, for a general partner interest in the Partnership and has been admitted as a General Partner of the Partnership, and the Special General Partner and Organizational Limited Partner each made an initial Capital Contribution to the Partnership in the amount of \$1,000 and have been admitted as a General Partner and Limited Partner, respectively, of the Partnership. As of the Effective Date, the initial \$1,000 contributed by each of the Special General Partner and the Organizational Limited Partner shall be refunded as provided in the Contribution Agreement.

(b) On the Effective Date and pursuant to the Contribution Agreement, the Organizational Limited Partner will convey: (i) a portion of its interest in Coffeyville Resources Nitrogen Fertilizer, LLC to the Partnership on behalf of the Managing General Partner, as a Capital Contribution in exchange for the issuance to the Managing General Partner of the Managing General Partner Interest, subject to all of the rights, privileges and duties of the Managing General Partner under this Agreement; (ii) a portion of its interest in Coffeyville Resources Nitrogen Fertilizer, LLC to the Partnership on behalf of the Special General Partner, as a Capital Contribution in exchange for the issuance to the Special General Partner of Special GP Units, subject to all of the rights, privileges and duties of the Special General Partner under

this Agreement; and (iii) the remaining portion of its interest in Coffeyville Resources Nitrogen Fertilizer, LLC to the Partnership as a Capital Contribution in exchange for the issuance to the Organizational Limited Partner of Special LP Units.

Section 5.2 *Interest and Withdrawal*. No interest on Capital Contributions shall be paid by the Partnership. No Partner shall be entitled to the withdrawal or return of its Capital Contribution, except to the extent, if any, that distributions made pursuant to this Agreement or upon dissolution of the Partnership may be considered as the withdrawal or return of its Capital Contribution by law and then only to the extent provided for in this Agreement. Except to the extent expressly provided in this Agreement, no Partner shall have priority over any other Partner either as to the return of Capital Contributions or as to profits, losses or distributions. Any such return shall be a compromise to which all Partners agree within the meaning of Section 17-502(b) of the Delaware Act.

Section 5.3 *Capital Accounts*.

(a) The Partnership shall maintain for each Partner (or a beneficial owner of Partnership Interests held by a nominee in any case in which the nominee has furnished the identity of such owner to the Partnership in accordance with Section 6031(c) of the Code or any other method acceptable to the Managing General Partner) owning a Partnership Interest a separate Capital Account with respect to such Partnership Interest in accordance with the rules of Treasury Regulation Section 1.704-1(b)(2)(iv). Such Capital Account shall be increased by (i) the amount of all Capital Contributions made to the Partnership with respect to such Partnership Interest and (ii) all items of Partnership income and gain (including income and gain exempt from tax) computed in accordance with Section 5.3(b) and allocated with respect to such Partnership Interest pursuant to Section 6.1, and decreased by (x) the amount of cash or Net Agreed Value of all actual and deemed distributions of cash or property made with respect to such Partnership Interest and (y) all items of Partnership deduction and loss computed in accordance with Section 5.3(b) and allocated with respect to such Partnership Interest pursuant to Section 6.1.

(b) For purposes of computing the amount of any item of income, gain, loss or deduction which is to be allocated pursuant to Article VI and is to be reflected in the Partners' Capital Accounts, the determination, recognition and classification of any such item shall be the same as its determination, recognition and classification for federal income tax purposes (including any method of depreciation, cost recovery or amortization used for that purpose), provided, that:

(i) Solely for purposes of this Section 5.3, the Partnership shall be treated as owning directly its proportionate share (as determined by the Managing General Partner based upon the provisions of the applicable Group Member Agreement) of all property owned by any other Group Member that is classified as a partnership or a disregarded entity for federal income tax purposes.

(ii) All fees and other expenses incurred by the Partnership to promote the sale of (or to sell) a Partnership Interest that can neither be deducted nor amortized under Section 709 of the Code, if any, shall, for purposes of Capital Account maintenance, be

treated as an item of deduction at the time such fees and other expenses are incurred and shall be allocated among the Partners pursuant to Section 6.1.

(iii) Except as otherwise provided in Treasury Regulation Section 1.704-1(b)(2)(iv)(m), the computation of all items of income, gain, loss and deduction shall be made without regard to any election under Section 754 of the Code which may be made by the Partnership and, as to those items described in Section 705(a)(1)(B) or 705(a)(2)(B) of the Code, without regard to the fact that such items are not includable in gross income or are neither currently deductible nor capitalized for federal income tax purposes. To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Section 734(b) or 743(b) of the Code is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment in the Capital Accounts shall be treated as an item of gain or loss.

(iv) Any income, gain or loss attributable to the taxable disposition of any Partnership property shall be determined as if the adjusted basis of such property as of such date of disposition were equal in amount to the Partnership's Carrying Value with respect to such property as of such date.

(v) In accordance with the requirements of Section 704(b) of the Code, any deductions for depreciation, cost recovery or amortization attributable to any Contributed Property shall be determined as if the adjusted basis of such property on the date it was acquired by the Partnership were equal to the Agreed Value of such property. Upon an adjustment pursuant to Section 5.3(d) to the Carrying Value of any Partnership property subject to depreciation, cost recovery or amortization, any further deductions for such depreciation, cost recovery or amortization attributable to such property shall be determined (A) as if the adjusted basis of such property were equal to the Carrying Value of such property immediately following such adjustment and (B) using a rate of depreciation, cost recovery or amortization derived from the same method and useful life (or, if applicable, the remaining useful life) as is applied for federal income tax purposes; provided that, if the Partnership is using the "remedial method" for eliminating a Book-Tax Disparity with respect to such property, then depreciation, cost recovery or amortization deductions shall be determined under the rules prescribed by Treasury Regulation Section 1.704-3(d)(2), and provided further, however, that if the property has a zero adjusted basis for federal income tax purposes, depreciation, cost recovery or amortization deductions shall be determined using any method that the Managing General Partner may adopt.

(vi) If the Partnership's adjusted basis in a depreciable or cost recovery property is reduced for federal income tax purposes pursuant to Section 50(c)(1) or 50(c)(3) of the Code, the amount of such reduction shall, solely for purposes hereof, be deemed to be an additional depreciation or cost recovery deduction in the year such property is placed in service and shall be allocated among the Partners pursuant to Section 6.1. Any restoration of such basis pursuant to Section 50(c)(2) of the Code shall, to the extent possible, be allocated in the same manner to the Partners to whom such deemed deduction was allocated.

(c) (i) A transferee of a Partnership Interest shall succeed to a pro rata portion of the Capital Account of the transferor relating to the Partnership Interest so transferred.

(ii) Subject to Section 6.8(c), immediately prior to the transfer of a Subordinated Unit or of a Subordinated Unit that has converted into a Common Unit pursuant to Section 5.6 by a holder thereof (other than a transfer to an Affiliate unless the Managing General Partner elects to have this subparagraph 5.3(d)(ii) apply), the Capital Account maintained for such Person with respect to its Subordinated Units or converted Subordinated Units will (A) first, be allocated to the Subordinated Units or converted Subordinated Units to be transferred in an amount equal to the product of (x) the number of such Subordinated Units or converted Subordinated Units to be transferred and (y) the Per Unit Capital Amount for a Common Unit, and (B) second, any remaining balance in such Capital Account will be retained by the transferor, regardless of whether it has retained any Subordinated Units or converted Subordinated Units ("Retained Converted Subordinated Units"). Following any such allocation, the transferor's Capital Account, if any, maintained with respect to the retained Subordinated Units or Retained Converted Subordinated Units, if any, will have a balance equal to the amount allocated under clause (B) hereinabove, and the transferee's Capital Account established with respect to the transferred Subordinated Units or Retained Converted Subordinated Units will have a balance equal to the amount allocated under clause (A) hereinabove.

(d) (i) In accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f), upon an issuance of additional Partnership Interests for cash or Contributed Property, the issuance of Partnership Interests as consideration for the provision of services or the conversion of the Managing General Partner's Combined Interest to Common Units pursuant to Section 11.3(b), the Capital Account of all Partners and the Carrying Value of each Partnership property immediately prior to such issuance shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Partnership property, as if such Unrealized Gain or Unrealized Loss had been recognized on an actual sale of each such property immediately prior to such issuance and had been allocated to the Partners at such time pursuant to Section 6.1(c) and Section 6.1(d). In determining such Unrealized Gain or Unrealized Loss, the aggregate cash amount and fair market value of all Partnership assets (including cash or cash equivalents) immediately prior to the issuance of additional Partnership Interests shall be determined by the Managing General Partner using such method of valuation as it may adopt; provided, however, that the Managing General Partner, in arriving at such valuation, must take fully into account the fair market value of the Partnership Interests of all Partners at such time. The Managing General Partner shall allocate such aggregate value among the assets of the Partnership (in such manner as it determines) to arrive at a fair market value for individual properties.

(ii) In accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f), immediately prior to any actual or deemed distribution to a Partner of any Partnership property (other than a distribution of cash that is not in redemption or retirement of a Partnership Interest), the Capital Accounts of all Partners and the Carrying Value of all Partnership property shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Partnership property, as if such Unrealized Gain or Unrealized Loss had been recognized in a sale of such property immediately

prior to such distribution for an amount equal to its fair market value, and had been allocated to the Partners, at such time, pursuant to Section 6.1(c) and Section 6.1(d). In determining such Unrealized Gain or Unrealized Loss the aggregate cash amount and fair market value of all Partnership assets (including cash or cash equivalents) immediately prior to a distribution shall (A) in the case of an actual distribution that is not made pursuant to Section 12.4 or in the case of a deemed distribution, be determined and allocated in the same manner as that provided in Section 5.3(d)(i) or (B) in the case of a liquidating distribution pursuant to Section 12.4, be determined and allocated by the Liquidator using such method of valuation as it may adopt.

Section 5.4 *Issuances of Additional Partnership Interests.*

(a)

(i) Subject to the provisions of Section 7.3(b) and subject to any applicable management rights of the Special General Partner expressly provided in Section 7.3, the Partnership may issue additional Partnership Interests and options, rights, warrants and appreciation rights relating to the Partnership Interests for any Partnership purpose at any time and from time to time to such Persons for such consideration and on such terms and conditions as the Managing General Partner shall determine, all without the approval of any Partners.

(ii) The Managing General Partner may, in its sole discretion but subject to any applicable management rights of the Special General Partner expressly provided in Section 7.3, cause the Partnership to undertake the Initial Offering; *provided*, that the Managing General Partner shall not cause the Partnership to undertake or consummate the Initial Offering unless the Managing General Partner determines, after consultation with the Special General Partner, that the Partnership is likely to be able to: (A) make distributions under Section 6.4 in respect of all Common Units and Subordinated Units and any other Units that are senior or equal in right of distribution to the Subordinated Units that are expected to be Outstanding with respect to each of the two consecutive, non-overlapping four-Quarter periods immediately following the IO Closing Date in an amount equal to or greater than the sum of the Minimum Quarterly Distribution on all of the Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units during such periods; and (B) generate Adjusted Operating Surplus for each of the two consecutive, non-overlapping four-Quarter periods immediately following the IO closing date in an amount equal to or greater than the sum of the Minimum Quarterly Distribution on all of the Common Units, Subordinated Units and any other Units that are senior or equal in right of distribution to the Subordinated Units that are expected to be Outstanding during such periods on a Fully Diluted Basis; *provided further*, that the Managing General Partner shall not cause the Partnership to consummate an Initial Public Offering unless the Managing General Partner has received an Opinion of Counsel stating that, following the Initial Public Offering, the Partnership will not be treated as an association taxable as a corporation or otherwise taxable as an entity for federal income tax purposes.

(iii) If the Managing General Partner determines that the Partnership is not likely to be able to satisfy the tests set forth in Section 5.4(a)(ii), the Managing General Partner may, in its sole discretion and effective upon closing of the Initial Offering, reduce the Minimum Quarterly Distribution to an amount the Managing General Partner determines to be an appropriate level such that the Partnership is likely to be able to satisfy the tests set forth in Section 5.4(a)(ii) with the reduced Minimum Quarter Distribution.

(b) Each additional Partnership Interest authorized to be issued by the Partnership pursuant to Section 5.4(a) may be issued in one or more classes, or one or more series of any such classes, with such designations, preferences, rights, powers and duties (which may be senior or junior to existing classes and series of Partnership Interests), as shall be fixed by the Managing General Partner, including (i) the right to share in Partnership profits and losses or items thereof; (ii) the right to share in Partnership distributions; (iii) the rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may, or shall be required to, redeem the Partnership Interest (including sinking fund provisions); (v) whether such Partnership Interest is issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Partnership Interest will be issued, evidenced by certificates and assigned or transferred; (vii) the method for determining the Percentage Interest as to such Partnership Interest; and (viii) the right, if any, of each such Partnership Interest to vote on Partnership matters, including matters relating to the relative rights, preferences and privileges of such Partnership Interest.

(c) The Managing General Partner shall take all actions that it determines to be necessary or appropriate in connection with (i) each issuance of Partnership Interests and options, rights, warrants and appreciation rights relating to Partnership Interests pursuant to this Section 5.4, (ii) the conversion of the Managing General Partner Interest (including the associated Incentive Distribution Rights) into Units pursuant to the terms of this Agreement, (iii) reflecting the admission of such additional Partners in the books and records of the Partnership as the Record Holder of such Partnership Interests, and (iv) all additional issuances of Partnership Interests. The Managing General Partner shall determine the relative rights, powers and duties of the holders of the Units or other Partnership Interests being so issued. The Managing General Partner shall do all things necessary to comply with the Delaware Act and is authorized and directed to do all things that it determines to be necessary or appropriate in connection with any future issuance of Partnership Interests or in connection with the conversion of the Managing General Partner Interest into Units pursuant to the terms of this Agreement, including compliance with any statute, rule, regulation or guideline of any federal, state or other governmental agency or any National Securities Exchange on which the Units or other Partnership Interests are listed or admitted to trading.

(d) No fractional Units shall be issued by the Partnership.

Section 5.5 *Conversion of Special Units.*

(a) Effective immediately prior to the closing of the Initial Offering:

(i) the lesser of (i) all of the Special Units and (ii) that number of Special Units that will represent 40% of all Outstanding Units immediately following the closing of the Initial Offering (without giving effect to any over-allotment option granted by the Partnership in connection with any Initial Public Offering) shall convert into Subordinated Units on a one-for-one basis; and

(ii) the balance of the Special Units, if any, shall convert into Common Units on a one-for-one basis.

(b) In the event that the Special Units convert into Subordinated Units or Common Units, or a combination thereof, pursuant to Section 5.5(a), at a time when there is more than one holder of Special Units, then, unless all of the holders of Special Units agree to a different allocation, the Special Units that are converted into Subordinated Units shall be allocated among the holders of Special Units pro rata based on the number of Special Units held by each.

(c) Special GP Units shall convert into Common GP Units or Subordinated GP Units, or a combination thereof, and Special LP Units shall convert into Common LP Units or Subordinated LP Units, or a combination thereof.

*Section 5.6 Conversion of Subordinated Units.*

(a) A total of 25% of the number of Subordinated Units initially issued pursuant to Section 5.5(a)(i), as adjusted pursuant to Section 5.9, will convert into Common Units on a one-for-one basis on the second Business Day following the distribution of Available Cash to Partners pursuant to Section 6.3(a) in respect of any Quarter, beginning with the Quarter in which the third anniversary of the IO Closing Date occurs, in respect of which:

(i) distributions under Section 6.4 in respect of all Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units with respect to each of the three consecutive, non-overlapping four-Quarter periods immediately preceding such date equaled or exceeded the sum of the Minimum Quarterly Distribution on all of the Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units during such periods;

(ii) the Adjusted Operating Surplus for each of the three consecutive, non-overlapping four-Quarter periods immediately preceding such date equaled or exceeded the sum of the Minimum Quarterly Distribution on all of the Common Units, Subordinated Units and any other Units that are senior or equal in right of distribution to the Subordinated Units that were Outstanding during such periods on a Fully Diluted Basis; and

(iii) there are no Cumulative Common Unit Arrearages.

(b) An additional 25% of the number of Subordinated Units initially issued pursuant to Section 5.5(a)(i), as adjusted pursuant to Section 5.9, will convert into Common Units on a one-for-one basis on the second Business Day following the distribution of Available Cash to

Partners pursuant to Section 6.3(a) in respect of any Quarter, beginning with the Quarter in which the fourth anniversary of the IO Closing Date occurs, in respect of which:

(i) distributions under Section 6.4 in respect of all Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units with respect to each of the three consecutive, non-overlapping four-Quarter periods immediately preceding such date equaled or exceeded the sum of the Minimum Quarterly Distribution on all of the Outstanding Common Units and Subordinated Units and any other Outstanding Units that are senior or equal in right of distribution to the Subordinated Units during such periods;

(ii) the Adjusted Operating Surplus for each of the three consecutive, non-overlapping four-Quarter periods immediately preceding such date equaled or exceeded the sum of the Minimum Quarterly Distribution on all of the Common Units, Subordinated Units and any other Units that are senior or equal in right of distribution to the Subordinated Units that were Outstanding during such periods on a Fully Diluted Basis; and

(iii) there are no Cumulative Common Unit Arrearages;

provided, however, that the conversion of Subordinated Units pursuant to this Section 5.6(b) may not occur until at least one year following the end of the last four-Quarter period in respect of which conversion of Subordinated Units pursuant to Section 5.6(a) occurred (i.e. the last four-Quarter contained in the "three consecutive, non-overlapping four-Quarter periods" referenced in this Section 5.6(b) may not include any Quarter included in the "three consecutive, non-overlapping four-Quarter periods" referenced in Section 5.6(a).

(c) Any Subordinated Units that are not converted into Common Units pursuant to Section 5.6(a) or Section 5.6(b) shall convert into Common Units on a one-for-one basis on the second Business Day following the distribution of Available Cash to Partners pursuant to Section 6.3(a) in respect of the final Quarter of the Subordination Period.

(d) Outstanding Subordinated Units may also convert into Common Units on a one-for-one basis as set forth in, and pursuant to the terms of, Section 11.4.

(e) Subordinated GP Units shall convert into Common GP Units and Subordinated LP Units shall convert into Common LP Units.

(f) A Subordinated Unit that has converted into a Common Unit shall be subject to the provisions of Section 6.8(c).

(g) In the event that any Subordinated Units convert into Common Units pursuant to Section 5.6(a) or Section 5.6(b) at a time when there is more than one holder of Subordinated Units, then, unless all of the holders of Subordinated Units agree to a different allocation, the Subordinated Units that are to be converted into Common Units shall be allocated among the holders of Subordinated Units pro rata based on the number of Subordinated Units held by each such holder.



Section 5.7 *Conversion of Common GP Units and Subordinated GP Units into Common LP Units and Subordinated LP Units.* All of the Common GP Units and Subordinated GP Units shall convert into Common LP Units and Subordinated LP Units, respectively, on a one-for-one basis if the Special General Partner ceases to own at least 15% of all Outstanding Units. Immediately upon such conversion, the Special General Partner shall become a Limited Partner and shall cease to have any of the rights and obligations of rights specified with respect to the Special General Partner (or the Special General Partner Interest) in this Agreement.

Section 5.8 *Preemptive Right.* Except as provided in this Section 5.8 or as otherwise provided in an agreement by the Partnership relating to a future issuance of Partnership Interests, no Person shall have any preemptive, preferential or other similar right with respect to the issuance of any Partnership Interest, whether unissued, held in the treasury or hereafter created. The Managing General Partner shall have the right, which it may from time to time assign in whole or in part to any of its Affiliates, to purchase Partnership Interests from the Partnership whenever, and on the same terms that, the Partnership issues Partnership Interests to Persons other than the Managing General Partner and its Affiliates, to the extent necessary to maintain the Percentage Interests of the Managing General Partner and its Affiliates equal to that which existed immediately prior to the issuance of such Partnership Interests. The Special General Partner shall have the right, which it may from time to time assign in whole or in part to any of its Affiliates, to purchase Partnership Interests from the Partnership whenever, and on the same terms that, the Partnership issues Partnership Interests to Persons other than the Special General Partner and its Affiliates and other than in connection with the Initial Offering, to the extent necessary to maintain the Percentage Interests of the Special General Partner and its Affiliates equal to that which existed immediately prior to the issuance of such Partnership Interests. For the purposes of this Section 5.8, the Managing General Partner and its controlling Affiliates, on the one hand, and the Special General Partner and its controlling Affiliates, on the other hand, shall be deemed not to be Affiliates, unless otherwise agreed by the Managing General Partner and the Special General Partner.

Section 5.9 *Splits and Combinations.*

(a) Subject to Sections 5.9(d), 6.7 and 6.9, the Partnership may make a Pro Rata distribution of Partnership Interests to all Record Holders or may effect a subdivision or combination of Partnership Interests so long as, after any such event, each Partner shall have the same Percentage Interest in the Partnership as before such event, and any amounts calculated on a per Unit basis (including any Common Unit Arrearage or Cumulative Common Unit Arrearage) or stated as a number of Units are proportionately adjusted retroactive to the beginning of the Partnership.

(b) Whenever such a distribution, subdivision, combination or reorganization of Partnership Interests is declared, the Managing General Partner shall select a Record Date as of which the distribution, subdivision, combination or reorganization shall be effective and shall send notice thereof at least 20 days prior to such Record Date to each Record Holder as of a date not less than 10 days prior to the date of such notice. The Managing General Partner also may cause a firm of independent public accountants selected by it to calculate the number of Partnership Interests to be held by each Record Holder after giving effect to such distribution, subdivision, combination or reorganization. The Managing General Partner shall be entitled to

rely on any certificate provided by such firm as conclusive evidence of the accuracy of such calculation.

(c) Promptly following any such distribution, subdivision, combination or reorganization, the Partnership may issue Certificates to the Record Holders of Partnership Interests as of the applicable Record Date representing the new number of Partnership Interests held by such Record Holders, or the Managing General Partner may adopt such other procedures that it determines to be necessary or appropriate to reflect such changes. If any such combination results in a smaller total number of Partnership Interests Outstanding, the Partnership shall require, as a condition to the delivery to a Record Holder of any such new Certificate, the surrender of any Certificate held by such Record Holder immediately prior to such Record Date.

(d) The Partnership shall not issue fractional Units upon any distribution, subdivision, combination or reorganization of Units. If a distribution, subdivision, combination or reorganization of Units would result in the issuance of fractional Units but for the provisions of Section 5.4(d) and this Section 5.9(d), each fractional Unit shall be rounded to the nearest whole Unit (and a 0.5 Unit shall be rounded to the next higher Unit).

Section 5.10 *Fully Paid and Non-Assessable Nature of Limited Partner Interests*. All Limited Partner Interests issued pursuant to, and in accordance with the requirements of, this Article V shall be fully paid and non-assessable Limited Partner Interests in the Partnership, except as such non-assessability may be affected by Sections 17-607 or 17-804 of the Delaware Act.

#### **ARTICLE VI ALLOCATIONS AND DISTRIBUTIONS**

Section 6.1 *Allocations for Capital Account Purposes*. For purposes of maintaining the Capital Accounts and in determining the rights of the Partners among themselves, the Partnership's items of income, gain, loss and deduction (computed in accordance with Section 5.3(b)) shall be allocated among the Partners in each taxable year (or portion thereof) as provided herein below.

(a) *Net Income*. After giving effect to the special allocations set forth in Section 6.1(d), Net Income for each taxable year and all items of income, gain, loss and deduction taken into account in computing Net Income for such taxable year shall be allocated as follows:

(i) First, 100% to the Managing General Partner, in an amount equal to the aggregate Net Losses allocated to the Managing General Partner pursuant to Section 6.1(b)(iii) for all previous taxable years until the aggregate Net Income allocated to the Managing General Partner pursuant to this Section 6.1(a)(i) for the current taxable year and all previous taxable years is equal to the aggregate Net Losses allocated to the Managing General Partner pursuant to Section 6.1(b)(iii) for all previous taxable years;

(ii) Second, 100% to the Unitholders, in accordance with their respective Percentage Interests, until the aggregate Net Income allocated to such Unitholders pursuant to this Section 6.1(a)(ii) for the current taxable year and all previous taxable

years is equal to the aggregate Net Losses allocated to such Unitholders pursuant to Section 6.1(b)(ii) for all previous taxable years; and

(iii) Third, the balance, if any, 100% to the Unitholders, in accordance with their respective Percentage Interests.

(b) *Net Losses.* After giving effect to the special allocations set forth in Section 6.1(d), Net Losses for each taxable period and all items of income, gain, loss and deduction taken into account in computing Net Losses for such taxable period shall be allocated as follows:

(i) First, 100% to the Unitholders, in accordance with their respective Percentage Interests, until the aggregate Net Losses allocated pursuant to this Section 6.1(b)(i) for the current taxable year and all previous taxable years is equal to the aggregate Net Income allocated to such Unitholders pursuant to Section 6.1(a)(iii) for all previous taxable years, provided that the Net Losses shall not be allocated pursuant to this Section 6.1(b)(i) to the extent that such allocation would cause any Unitholder to have a deficit balance in its Adjusted Capital Account at the end of such taxable year (or increase any existing deficit balance in its Adjusted Capital Account);

(ii) Second, 100% to the Unitholders, in accordance with their respective Percentage Interests; provided, that Net Losses shall not be allocated pursuant to this Section 6.1(b)(ii) to the extent that such allocation would cause any Unitholder to have a deficit balance in its Adjusted Capital Account at the end of such taxable year (or increase any existing deficit balance in its Adjusted Capital Account); and

(iii) Third, the balance, if any, 100% to the Managing General Partner.

(c) *Net Termination Gains and Losses.* After giving effect to the special allocations set forth in Section 6.1(d), all items of income, gain, loss and deduction taken into account in computing Net Termination Gain or Net Termination Loss for such taxable period shall be allocated in the same manner as such Net Termination Gain or Net Termination Loss is allocated hereunder. All allocations under this Section 6.1(c) shall be made after Capital Account balances have been adjusted by all other allocations provided under this Section 6.1 and after all distributions of Available Cash provided under Sections 6.4 and Section 6.6 have been made; provided, however, that solely for purposes of this Section 6.1(c), Capital Accounts shall not be adjusted for distributions made pursuant to Section 12.4.

(i) If a Net Termination Gain is recognized (or deemed recognized pursuant to Section 5.3(d)), such Net Termination Gain shall be allocated among the Partners in the following manner (and the Capital Accounts of the Partners shall be increased by the amount so allocated in each of the following subclauses, in the order listed, before an allocation is made pursuant to the next succeeding subclause):

if such Net Termination Gain is recognized prior to the Initial Offering:

(A) First, to each Partner having a deficit balance in its Capital Account, in the proportion that such deficit balance bears to the total deficit balances in the Capital Accounts of all Partners, until each such Partner has been

allocated Net Termination Gain equal to any such deficit balance in its Capital Account;

(B) Second, to all Unitholders, Pro Rata, until the Capital Account in respect of each Unit then Outstanding is equal to its Unrecovered Initial Unit Price;

(C) Third, to all Unitholders, Pro Rata, until the Capital Account in respect of each Unit then Outstanding is equal to the sum of (1) its Unrecovered Initial Unit Price, and (2) the excess of (aa) the First Target Distribution for each Quarter of the Partnership's existence over (bb) the cumulative per Unit amount of any distributions of Available Cash that is deemed to be Operating Surplus made pursuant to Section 6.4(a)(i) (the sum of (1) and (2) is, for the purpose of the immediately succeeding clause (D), the "First Liquidation Target Amount");

(D) Fourth, (y) 13% to the Managing General Partner (in respect of the Incentive Distribution Rights), and (z) 87% to all Unitholders, Pro Rata, until the Capital Account in respect of each Unit then Outstanding is equal to the sum of (1) the First Liquidation Target Amount, and (2) the excess of (aa) the Second Target Distribution less the First Target Distribution for each Quarter of the Partnership's existence over (bb) the cumulative per Unit amount of any distributions of Available Cash that is deemed to be Operating Surplus made pursuant to Section 6.4(a)(ii) (the sum of (1) and (2) is, for the purpose of the immediately succeeding clause (E), "Second Liquidation Target Amount");

(E) Fifth, (y) 23% to the Managing General Partner (in respect of the Incentive Distribution Rights), and (z) 77% to all Unitholders, Pro Rata, until the Capital Account in respect of each Unit then Outstanding is equal to the sum of (1) the Second Liquidation Target Amount, and (2) the excess of (aa) the Third Target Distribution less the Second Target Distribution for each Quarter of the Partnership's existence over (bb) the cumulative per Unit amount of any distributions of Available Cash that is deemed to be Operating Surplus made pursuant to Section 6.4(a)(iii); and

(F) Thereafter, (y) 48% to the Managing General Partner (in respect of the Incentive Distribution Rights), and (z) 52% to all Unitholders, Pro Rata.

if such Net Termination Gain is recognized on or after the Initial Offering:

(A) First, to each Partner having a deficit balance in its Capital Account, in the proportion that such deficit balance bears to the total deficit balances in the Capital Accounts of all Partners, until each such Partner has been allocated Net Termination Gain equal to any such deficit balance in its Capital Account;

(B) Second, to all Unitholders holding Common Units, Pro Rata, until the Capital Account in respect of each Common Unit then Outstanding is equal to the sum of (1) its Unrecovered Initial Unit Price, (2) the Minimum Quarterly

Distribution for the Quarter during which the Liquidation Date occurs, reduced by any distribution pursuant to Section 6.4(b)(i) and Section 6.4(c)(i) with respect to such Common Unit for such Quarter (the amount determined pursuant to this clause (2) is hereinafter referred to as the "Unpaid MQD") and (3) any then existing Cumulative Common Unit Arrearage;

(C) Third, if such Net Termination Gain is recognized (or is deemed to be recognized) prior to the conversion of the last Outstanding Subordinated Unit, to all Unitholders holding Subordinated Units, Pro Rata, until the Capital Account in respect of each Subordinated Unit then Outstanding equals the sum of (1) its Unrecovered Initial Unit Price, determined for the taxable year (or portion thereof) to which this allocation of gain relates, and (2) the Minimum Quarterly Distribution for the Quarter during which the Liquidation Date occurs, reduced by any distribution pursuant to Section 6.4(b)(iii) with respect to such Subordinated Unit for such Quarter;

(D) Fourth, 100% to all Unitholders, in accordance with their respective Percentage Interests, until the Capital Account in respect of each Common Unit then Outstanding is equal to the sum of (1) its Unrecovered Initial Unit Price, (2) the Unpaid MQD, (3) any then existing Cumulative Common Unit Arrearage, and (4) the excess of (aa) the First Target Distribution less the Minimum Quarterly Distribution for each Quarter of the Partnership's existence over (bb) the cumulative per Unit amount of any distributions of Available Cash that is deemed to be Operating Surplus made pursuant to Section 6.4(b)(iv) and Section 6.4(c)(ii) (the sum of (1), (2), (3) and (4) is, for the purpose of the immediately succeeding clause (F), the "First Liquidation Target Amount");

(E) Fifth, (y) 13% to the Managing General Partner (in respect of the Incentive Distribution Rights), and (z) 87% to all Unitholders, Pro Rata, until the Capital Account in respect of each Common Unit then Outstanding is equal to the sum of (1) the First Liquidation Target Amount, and (2) the excess of (aa) the Second Target Distribution less the First Target Distribution for each Quarter of the Partnership's existence over (bb) the cumulative per Unit amount of any distributions of Available Cash that is deemed to be Operating Surplus made pursuant to Sections 6.4(b)(v) and 6.4(c)(iii) (the sum of (1) and (2) is, for the purpose of the immediately succeeding clause (E), the "Second Liquidation Target Amount");

(F) Sixth, (y) 23% to the Managing General Partner (in respect of the Incentive Distribution Rights), and (z) 77% to all Unitholders, Pro Rata, until the Capital Account in respect of each Common Unit then Outstanding is equal to the sum of (1) the Second Liquidation Target Amount, and (2) the excess of (aa) the Third Target Distribution less the Second Target Distribution for each Quarter of the Partnership's existence over (bb) the cumulative per Unit amount of any distributions of Available Cash that is deemed to be Operating Surplus made pursuant to Sections 6.4(b)(vi) and 6.4(c)(iv); and

(G) Finally, (y) 48% to the Managing General Partner (in respect of the Incentive Distribution Rights), and (z) 52% to all Unitholders, Pro Rata.

(ii) If a Net Termination Loss is recognized (or deemed recognized pursuant to Section 5.3(d)), such Net Termination Loss shall be allocated among the Partners in the following manner:

if such Net Termination Loss is recognized prior to the Initial Offering:

(A) First, to all Unitholders, Pro Rata, until the Capital Account in respect of each Common Unit then Outstanding has been reduced to zero; and

(B) Second, the balance, if any, 100% to the Managing General Partner.

if such Net Termination Loss is recognized on or after the Initial Offering:

(A) First, if such Net Termination Loss is recognized (or is deemed to be recognized) prior to the conversion of the last Outstanding Subordinated Unit, (x) to the Managing General Partner in accordance with its Percentage Interest and (y) to all Unitholders holding Subordinated Units, Pro Rata, a percentage equal to 100% less the Managing General Partner's Percentage Interest, until the Capital Account in respect of each Subordinated Unit then Outstanding has been reduced to zero;

(B) Second, (x) to the Managing General Partner in accordance with its Percentage Interest and (y) to all Unitholders holding Common Units, Pro Rata, a percentage equal to 100% less the Managing General Partner's Percentage Interest, until the Capital Account in respect of each Common Unit then Outstanding has been reduced to zero; and

(C) Third, the balance, if any, 100% to the Managing General Partner.

(d) *Special Allocations.* Notwithstanding any other provision of this Section 6.1, the following special allocations shall be made for such taxable period:

(i) *Partnership Minimum Gain Chargeback.* Notwithstanding any other provision of this Section 6.1, if there is a net decrease in Partnership Minimum Gain during any Partnership taxable period, each Partner shall be allocated items of Partnership income and gain for such period (and, if necessary, subsequent periods) in the manner and amounts provided in Treasury Regulation Sections 1.704-2(f), 1.704-2(g)(2) and 1.704-2(j)(2)(i), or any successor provision. For purposes of this Section 6.1(d), each Partner's Adjusted Capital Account balance shall be determined, and the allocation of income or gain required hereunder shall be effected, prior to the application of any other allocations pursuant to this Section 6.1(d) with respect to such taxable period (other than an allocation pursuant to Sections 6.1(d)(vi) and 6.1(d)(vii)). This Section 6.1(d)(i) is intended to comply with the Partnership Minimum Gain chargeback requirement in Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(ii) *Chargeback of Partner Nonrecourse Debt Minimum Gain.* Notwithstanding the other provisions of this Section 6.1 (other than Section 6.1(d)(i)), except as provided in Treasury Regulation Section 1.704-2(i)(4), if there is a net decrease in Partner Nonrecourse Debt Minimum Gain during any Partnership taxable period, any Partner with a share of Partner Nonrecourse Debt Minimum Gain at the beginning of such taxable period shall be allocated items of Partnership income and gain for such period (and, if necessary, subsequent periods) in the manner and amounts provided in Treasury Regulation Sections 1.704-2(i)(4), 1.704-2(i)(5) and 1.704-2(j)(2)(ii), or any successor provisions. For purposes of this Section 6.1(d), each Partner's Adjusted Capital Account balance shall be determined, and the allocation of income or gain required hereunder shall be effected, prior to the application of any other allocations pursuant to this Section 6.1(d), other than Section 6.1(d)(i) and other than an allocation pursuant to Sections 6.1(d)(vi) and 6.1(d)(vii), with respect to such taxable period. This Section 6.1(d)(ii) is intended to comply with the chargeback of items of income and gain requirement in Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) *Priority Allocations.*

(A) If the amount of cash or the Net Agreed Value of any property distributed (except cash or property distributed pursuant to Section 12.4) to any Unitholder for a taxable year is greater (on a per Unit basis) than the amount of cash or the Net Agreed Value of property distributed to the other Unitholders (on a per Unit basis), then each Unitholder receiving such greater cash or property distribution shall be allocated gross income in an amount equal to the product of (aa) the amount by which the distribution (on a per Unit basis) to such Unitholder exceeds the distribution (on a per Unit basis) to the Unitholders receiving the smallest distribution and (bb) the number of Units owned by the Unitholder receiving the greater distribution.

(B) After the application of Section 6.1(d)(iii)(A), all or any portion of the remaining items of Partnership gross income or gain for the taxable period, if any, shall be allocated to the Managing General Partner (in respect of the Incentive Distribution Rights), until the aggregate amount of such items allocated to the Managing General Partner pursuant to this Section 6.1(d)(iii)(B) for the current taxable year and all previous taxable years is equal to the cumulative amount of all Incentive Distributions made to the Managing General Partner from the Effective Date to a date 45 days after the end of the current taxable year.

(iv) *Qualified Income Offset.* In the event any Partner unexpectedly receives any adjustments, allocations or distributions described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations promulgated under Section 704(b) of the Code, the deficit balance, if any, in its Adjusted Capital Account created by such adjustments, allocations or distributions as quickly as possible; provided, that an allocation pursuant to this Section 6.1(d)(iv) shall be made

only if and to the extent that such Partner would have a deficit balance in its Adjusted Capital Account after all other allocations provided for in this Section 6.1 have been tentatively made as if this Section 6.1(d)(iv) were not in this Agreement.

(v) *Gross Income Allocations.* In the event any Partner has a deficit balance in its Capital Account at the end of any Partnership taxable period in excess of the sum of (A) the amount such Partner is required to restore pursuant to the provisions of this Agreement and (B) the amount such Partner is deemed obligated to restore pursuant to Treasury Regulation Sections 1.704-2(g) and 1.704-2(i)(5), such Partner shall be specially allocated items of Partnership gross income and gain in the amount of such excess as quickly as possible; provided, that an allocation pursuant to this Section 6.1(d)(v) shall be made only if and to the extent that such Partner would have a deficit balance in its Adjusted Capital Account in excess of such sum after all other allocations provided for in this Section 6.1 have been tentatively made as if this Section 6.1(d)(v) were not in this Agreement.

(vi) *Nonrecourse Deductions.* Nonrecourse Deductions for any taxable period shall be allocated to the Partners in accordance with their respective Percentage Interests. If the Managing General Partner determines that the Partnership's Nonrecourse Deductions should be allocated in a different ratio to satisfy the safe harbor requirements of the Treasury Regulations promulgated under Section 704(b) of the Code, the Managing General Partner is authorized, upon notice to the other Partners, to revise the prescribed ratio to the numerically closest ratio that does satisfy such requirements.

(vii) *Partner Nonrecourse Deductions.* Partner Nonrecourse Deductions for any taxable period shall be allocated 100% to the Partner that bears the Economic Risk of Loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulation Section 1.704-2(i). If more than one Partner bears the Economic Risk of Loss with respect to a Partner Nonrecourse Debt, such Partner Nonrecourse Deductions attributable thereto shall be allocated between or among such Partners in accordance with the ratios in which they share such Economic Risk of Loss. This Section 6.1(d)(vii) is intended to comply with Treasury Regulations Section 1.704-2(i)(1) and shall be interpreted consistently therewith.

(viii) *Nonrecourse Liabilities.* For purposes of Treasury Regulation Section 1.752-3(a)(3), the Partners agree that Nonrecourse Liabilities of the Partnership in excess of the sum of (A) the amount of Partnership Minimum Gain and (B) the total amount of Nonrecourse Built-in Gain shall be allocated among the Partners in accordance with their respective Percentage Interests.

(ix) *Code Section 754 Adjustments.* To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Section 734(b) or 743(b) of the Code is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such item of gain or loss shall



be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(x) *Economic Uniformity.* At the election of the Managing General Partner with respect to any taxable period ending upon, or after, the termination of the Subordination Period, all or a portion of the remaining items of Partnership gross income or gain for such taxable period, after taking into account allocations pursuant to Section 6.1(d)(iii), shall be allocated 100% to each Partner holding Subordinated Units that are Outstanding as of the termination of the Subordination Period ("Final Subordinated Units") in the proportion of the number of Final Subordinated Units held by such Partner to the total number of Final Subordinated Units then Outstanding, until each such Partner has been allocated an amount of gross income or gain that increases the Capital Account maintained with respect to such Final Subordinated Units to an amount equal to the product of (A) the number of Final Subordinated Units held by such Partner and (B) the Per Unit Capital Amount for a Common Unit. The purpose of this allocation is to establish uniformity between the Capital Accounts underlying Final Subordinated Units and the Capital Accounts underlying Common Units held by Persons other than the Managing General Partner and its Affiliates immediately prior to the conversion of such Final Subordinated Units into Common Units. This allocation method for establishing such economic uniformity will be available to the Managing General Partner only if the method for allocating the Capital Account maintained with respect to the Subordinated Units between the transferred and retained Subordinated Units pursuant to Section 5.3(c)(ii) does not otherwise provide such economic uniformity to the Final Subordinated Units.

(xi) *Curative Allocation.*

(A) Notwithstanding any other provision of this Section 6.1, other than the Required Allocations, the Required Allocations shall be taken into account in making the Agreed Allocations so that, to the extent possible, the net amount of items of income, gain, loss and deduction allocated to each Partner pursuant to the Required Allocations and the Agreed Allocations, together, shall be equal to the net amount of such items that would have been allocated to each such Partner under the Agreed Allocations had the Required Allocations and the related Curative Allocation not otherwise been provided in this Section 6.1. Notwithstanding the preceding sentence, Required Allocations relating to (1) Nonrecourse Deductions shall not be taken into account except to the extent that there has been a decrease in Partnership Minimum Gain and (2) Partner Nonrecourse Deductions shall not be taken into account except to the extent that there has been a decrease in Partner Nonrecourse Debt Minimum Gain. Allocations pursuant to this Section 6.1(d)(xi)(A) shall only be made with respect to Required Allocations to the extent the Managing General Partner determines that such allocations will otherwise be inconsistent with the economic agreement among the Partners. Further, allocations pursuant to this Section 6.1(d)(xi)(A) shall be deferred with respect to allocations pursuant to clauses (1) and (2) hereof

to the extent the Managing General Partner determines that such allocations are likely to be offset by subsequent Required Allocations.

(B) The Managing General Partner shall, with respect to each taxable period, (1) apply the provisions of Section 6.1(d)(xi)(A) in whatever order is most likely to minimize the economic distortions that might otherwise result from the Required Allocations, and (2) divide all allocations pursuant to Section 6.1(d)(xi)(A) among the Partners in a manner that is likely to minimize such economic distortions.

(xii) *Corrective Allocations.* In the event of any allocation of Additional Book Basis Derivative Items or any Book-Down Event or any recognition of a Net Termination Loss, the following rules shall apply:

(A) In the case of any allocation of Additional Book Basis Derivative Items (other than an allocation of Unrealized Gain or Unrealized Loss under Section 5.3(d) hereof), the Managing General Partner shall allocate additional items of gross income and gain away from the Managing General Partner (in respect of the Incentive Distribution Rights) to the Unitholders, or additional items of deduction and loss away from the Unitholders to the Managing General Partner (in respect of the Incentive Distribution Rights), to the extent that the Additional Book Basis Derivative Items allocated to the Unitholders exceed their Share of Additional Book Basis Derivative Items. For this purpose, the Unitholders shall be treated as being allocated Additional Book Basis Derivative Items to the extent that such Additional Book Basis Derivative Items have reduced the amount of income that would otherwise have been allocated to the Unitholders under this Agreement (e.g., Additional Book Basis Derivative Items taken into account in computing cost of goods sold would reduce the amount of book income otherwise available for allocation among the Partners). Any allocation made pursuant to this Section 6.1(d)(xii)(A) shall be made after all of the other Agreed Allocations have been made as if this Section 6.1(d)(xii) were not in this Agreement and, to the extent necessary, shall require the reallocation of items that have been allocated pursuant to such other Agreed Allocations.

(B) In the case of any negative adjustments to the Capital Accounts of the Partners resulting from a Book-Down Event or from the recognition of a Net Termination Loss, such negative adjustment (1) shall first be allocated, to the extent of the Aggregate Remaining Net Positive Adjustments, in such a manner, as determined by the Managing General Partner, that to the extent possible the aggregate Capital Account balances of the Partners will equal the amount that would have been the Capital Account balances of the Partners if no prior Book-Up Events had occurred, and (2) any negative adjustment in excess of the Aggregate Remaining Net Positive Adjustments shall be allocated pursuant to Section 6.1(c) hereof.

(C) In making the allocations required under this Section 6.1(d)(xii), the Managing General Partner may apply whatever conventions or other methodology it determines will satisfy the purpose of this Section 6.1(d)(xii).

*Section 6.2 Allocations for Tax Purposes.*

(a) Except as otherwise provided herein, for federal income tax purposes, each item of income, gain, loss and deduction shall be allocated among the Partners in the same manner as its correlative item of "book" income, gain, loss or deduction is allocated pursuant to Section 6.1.

(b) In an attempt to eliminate Book-Tax Disparities attributable to a Contributed Property or Adjusted Property, items of income, gain, loss, depreciation, amortization and cost recovery deductions shall be allocated for federal income tax purposes among the Partners as follows:

(i) (A) In the case of a Contributed Property, such items attributable thereto shall be allocated among the Partners in the manner provided under Section 704(c) of the Code that takes into account the variation between the Agreed Value of such property and its adjusted basis at the time of contribution; and (B) any item of Residual Gain or Residual Loss attributable to a Contributed Property shall be allocated among the Partners in the same manner as its correlative item of "book" gain or loss is allocated pursuant to Section 6.1.

(ii) (A) In the case of an Adjusted Property, such items shall (1) first, be allocated among the Partners in a manner consistent with the principles of Section 704(c) of the Code to take into account the Unrealized Gain or Unrealized Loss attributable to such property and the allocations thereof pursuant to Section 5.3(d)(i) or 5.3(d)(ii), and (2) second, in the event such property was originally a Contributed Property, be allocated among the Partners in a manner consistent with Section 6.2(b)(i)(A); and (B) any item of Residual Gain or Residual Loss attributable to an Adjusted Property shall be allocated among the Partners in the same manner as its correlative item of "book" gain or loss is allocated pursuant to Section 6.1.

(iii) The Managing General Partner shall apply the principles of Treasury Regulation Section 1.704-3(d) to eliminate Book-Tax Disparities.

(c) For the proper administration of the Partnership and for the preservation of uniformity of the Units (or any class or classes thereof), the Managing General Partner shall (i) adopt such conventions as it deems appropriate in determining the amount of depreciation, amortization and cost recovery deductions; (ii) make special allocations for federal income tax purposes of income (including gross income) or deductions; and (iii) amend the provisions of this Agreement as appropriate (x) to reflect the proposal or promulgation of Treasury Regulations under Section 704(b) or Section 704(c) of the Code or (y) otherwise to preserve or achieve uniformity of the Units (or any class or classes thereof). The Managing General Partner may adopt such conventions, make such allocations and make such amendments to this Agreement as provided in this Section 6.2(c) only if such conventions, allocations or amendments would not have a material adverse effect on the Partners, the holders of any class or

classes of Partnership Interests issued and Outstanding or the Partnership, and if such allocations are consistent with the principles of Section 704 of the Code.

(d) The Managing General Partner may determine to depreciate or amortize the portion of an adjustment under Section 743(b) of the Code attributable to unrealized appreciation in any Adjusted Property (to the extent of the unamortized Book-Tax Disparity) using a predetermined rate derived from the depreciation or amortization method and useful life applied to the Partnership's common basis of such property, despite any inconsistency of such approach with Treasury Regulation Section 1.167(c)-1(a)(6), Treasury Regulation Section 1.197-2(g)(3), the legislative history of Section 743 of the Code or any successor regulations thereto. If the Managing General Partner determines that such reporting position cannot reasonably be taken, the Managing General Partner may adopt depreciation and amortization conventions under which all purchasers acquiring Partnership Interests in the same month would receive depreciation and amortization deductions, based upon the same applicable rate as if they had purchased a direct interest in the Partnership's property. If the Managing General Partner chooses not to utilize such aggregate method, the Managing General Partner may use any other depreciation and amortization conventions to preserve the uniformity of the intrinsic tax characteristics of any Units, so long as such conventions would not have a material adverse effect on the Record Holders of any class or classes of Partnership Interests.

(e) Any gain allocated to the Partners upon the sale or other taxable disposition of any Partnership asset shall, to the extent possible, after taking into account other required allocations of gain pursuant to this Section 6.2, be characterized as Recapture Income in the same proportions and to the same extent as such Partners (or their predecessors in interest) have been allocated any deductions directly or indirectly giving rise to the treatment of such gains as Recapture Income.

(f) All items of income, gain, loss, deduction and credit recognized by the Partnership for federal income tax purposes and allocated to the Partners in accordance with the provisions hereof shall be determined without regard to any election under Section 754 of the Code that may be made by the Partnership; provided, however, that such allocations, once made, shall be adjusted (in the manner determined by the Managing General Partner) to take into account those adjustments permitted or required by Sections 734 and 743 of the Code.

(g) Each item of Partnership income, gain, loss and deduction shall, for federal income tax purposes, be determined on an annual basis and prorated on a monthly basis and shall be allocated to the Partners (i) prior to the IO Closing Date, as of the last day of such month and (ii) thereafter as of the opening of the National Securities Exchange on which the Partnership's Units are listed or admitted to trading on the first Business Day of each month; provided, however, such items for the period beginning on the IO Closing Date and ending on the last day of the month in which any Over-Allotment Option is exercised or the expiration of any Over-Allotment Option occurs shall be allocated to the Partners as of the opening of the National Securities Exchange on which the Partnership's Units are listed or admitted to trading on the first Business Day of the next succeeding month; and provided, further, that gain or loss on a sale or other disposition of any assets of the Partnership or any other extraordinary item of income or loss realized and recognized other than in the ordinary course of business, as determined by the Managing General Partner, shall be allocated to the Partners as of the opening of the National

Securities Exchange on which the Partnership's Units are listed or admitted to trading on the first Business Day of the month in which such gain or loss is recognized for federal income tax purposes. The Managing General Partner may revise, alter or otherwise modify such methods of allocation to the extent permitted or required by Section 706 of the Code and the regulations or rulings promulgated thereunder.

(h) Allocations that would otherwise be made to a Partner under the provisions of this Article VI shall instead be made to the beneficial owner of Partnership Interests held by a nominee in any case in which the nominee has furnished the identity of such owner to the Partnership in accordance with Section 6031(c) of the Code or any other method determined by the Managing General Partner.

*Section 6.3 Requirement and Characterization of Distributions; Distributions to Record Holders.*

(a) Within 45 days following the end of each Quarter commencing with the Quarter that includes the Effective Date, an amount equal to 100% of Available Cash with respect to such Quarter shall, subject to Sections 17-607 and 17-804 of the Delaware Act, be distributed in accordance with this Article VI by the Partnership to the Partners as of the Record Date selected by the Managing General Partner. All amounts of Available Cash distributed by the Partnership on any date from any source shall be deemed to be Operating Surplus until the sum of all amounts of Available Cash theretofore distributed by the Partnership to the Partners pursuant to Section 6.4 equals the Operating Surplus from the Effective Date through the close of the immediately preceding Quarter. Any remaining amounts of Available Cash distributed by the Partnership on such date shall, except as otherwise provided in Section 6.5, be deemed to be Capital Surplus. All distributions required to be made under this Agreement will be made subject to Sections 17-607 and 17-804 of the Delaware Act.

(b) Notwithstanding Section 6.3(a), in the event of the dissolution and liquidation of the Partnership, all cash received during or after the Quarter in which the Liquidation Date occurs, other than from borrowings described in clause (a)(ii) of the definition of Available Cash, shall be applied and distributed solely in accordance with, and subject to the terms and conditions of, Section 12.4.

(c) The Managing General Partner may treat taxes paid by the Partnership on behalf of, or amounts withheld with respect to, all or less than all of the Partners, as a distribution of Available Cash to such Partners.

(d) Each distribution in respect of a Partnership Interest shall be paid by the Partnership, directly or through any Transfer Agent or through any other Person or agent, only to the Record Holder of such Partnership Interest as of the Record Date set for such distribution. Such payment shall constitute full payment and satisfaction of the Partnership's liability in respect of such payment, regardless of any claim of any Person who may have an interest in such payment by reason of an assignment or otherwise.

*Section 6.4 Distributions of Available Cash from Operating Surplus.*

(a) *Prior to the Initial Offering.* Available Cash with respect to any Quarter prior to the Initial Offering that is deemed to be Operating Surplus pursuant to the provisions of Section 6.3 or Section 6.6 shall, subject to Sections 17-607 and 17-804 of the Delaware Act, be distributed as follows, except as otherwise contemplated by Section 5.4(b) in respect of other Partnership Interests issued pursuant thereto:

(i) First, 100% to all Special Unitholders, Pro Rata, until there has been distributed in respect of each Special Unit then Outstanding an amount equal to the First Target Distribution;

(ii) Second, (A) 13% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 87% to all Special Unitholders, Pro Rata, until there has been distributed in respect of each Special Unit then Outstanding an amount equal to the excess of the Second Target Distribution over the First Target Distribution for such Quarter;

(iii) Third, (A) 23% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 77% to all Special Unitholders, Pro Rata, until there has been distributed in respect of each Special Unit then Outstanding an amount equal to the excess of the Third Target Distribution over the Second Target Distribution for such Quarter; and

(iv) Thereafter, (A) 48% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 52% to all Special Unitholders, Pro Rata;

provided, however, if the First Target Distribution, the Second Target Distribution and the Third Target Distribution have been reduced to zero pursuant to the second sentence of Section 6.7(a), the distribution of Available Cash that is deemed to be Operating Surplus with respect to any Quarter will be made solely in accordance with Section 6.4(a)(iv); provided further that no distributions will be paid to the Managing General Partner (in respect of the Incentive Distribution Rights) for so long as any Group Member is a guarantor of any Coffeyville Credit Agreement.

(b) *During Subordination Period.* Available Cash with respect to any Quarter within the Subordination Period that is deemed to be Operating Surplus pursuant to the provisions of Section 6.3 or 6.5 shall, subject to Sections 17-607 and 17-804 of the Delaware Act, be distributed as follows, except as otherwise contemplated by Section 5.4(b) in respect of other Partnership Interests issued pursuant thereto:

(i) First, to all the Unitholders holding Common Units, Pro Rata, until there has been distributed in respect of each Common Unit then Outstanding an amount equal to the Minimum Quarterly Distribution for such Quarter;

(ii) Second, to all Unitholders holding Common Units, Pro Rata, until there has been distributed in respect of each Common Unit then Outstanding an amount equal to the Cumulative Common Unit Arrearage existing with respect to such Quarter;

(iii) Third, to all Unitholders holding Subordinated Units, Pro Rata, until there has been distributed in respect of each Subordinated Unit then Outstanding an amount equal to the Minimum Quarterly Distribution for such Quarter;

(iv) Fourth, to all Unitholders, Pro Rata, until there has been distributed in respect of each Unit then Outstanding an amount equal to the excess of the First Target Distribution over the Minimum Quarterly Distribution for such Quarter;

(v) Fifth, (A) 13% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 87% to all Unitholders, Pro Rata, until there has been distributed in respect of each Unit then Outstanding an amount equal to the excess of the Second Target Distribution over the First Target Distribution for such Quarter;

(vi) Sixth, (A) 23% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 77% to all Unitholders, Pro Rata, until there has been distributed in respect of each Unit then Outstanding an amount equal to the excess of the Third Target Distribution over the Second Target Distribution for such Quarter; and

(vii) Thereafter, (A) 48% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 52% to all Unitholders, Pro Rata;

provided, however, if the Minimum Quarterly Distribution, the First Target Distribution, the Second Target Distribution and the Third Target Distribution have been reduced to zero pursuant to the second sentence of Section 6.7(a), the distribution of Available Cash that is deemed to be Operating Surplus with respect to any Quarter will be made solely in accordance with Section 6.4(b)(vii); provided further that no distributions will be paid to the Managing General Partner (in respect of the Incentive Distribution Rights) for so long as any Group Member is a guarantor of any Coffeyville Credit Agreement.

(c) *After Subordination Period.* Available Cash with respect to any Quarter after the Subordination Period that is deemed to be Operating Surplus pursuant to the provisions of Section 6.3 or 6.5, subject to Sections 17-607 and 17-804 of the Delaware Act, shall be distributed as follows, except as otherwise contemplated by Section 5.4(b) in respect of additional Partnership Interests issued pursuant thereto:

(i) First, 100% to all Unitholders, Pro Rata, until there has been distributed in respect of each Unit then Outstanding an amount equal to the Minimum Quarterly Distribution for such Quarter;

(ii) Second, 100% to all Unitholders in accordance with their respective Percentage Interests, until there has been distributed in respect of each Unit then Outstanding an amount equal to the excess of the First Target Distribution over the Minimum Quarterly Distribution for such Quarter;

(iii) Third, (A) 13% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 87% to all Unitholders, Pro Rata, until there has

been distributed in respect of each Unit then Outstanding an amount equal to the excess of the Second Target Distribution over the First Target Distribution for such Quarter;

(iv) Fourth, (A) 23% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 77% to all Unitholders, Pro Rata, until there has been distributed in respect of each Unit then Outstanding an amount equal to the excess of the Third Target Distribution over the Second Target Distribution for such Quarter; and

(v) Thereafter, (A) 48% to the Managing General Partner (in respect of the Incentive Distribution Rights); and (B) 52% to all Unitholders, Pro Rata;

provided, however, if the First Target Distribution, the Second Target Distribution and the Third Target Distribution have been reduced to zero pursuant to the second sentence of Section 6.7(a), the distribution of Available Cash that is deemed to be Operating Surplus with respect to any Quarter will be made solely in accordance with Section 6.4(c)(v); provided further that no distributions will be paid to the Managing General Partner (in respect of the Incentive Distribution Rights) for so long as any Group Member is a guarantor of any Coffeyville Credit Agreement.

Section 6.5 *Distributions of Non-IDR Surplus Amount*. Notwithstanding anything to the contrary in this Agreement, no distribution shall be made to the Managing General Partner Interest until the Non-IDR Surplus Amount has been distributed to the Outstanding Units.

Section 6.6 *Distributions of Available Cash from Capital Surplus*.

(a) *Prior to the IO Closing Date*. Prior to the IO Closing Date, Available Cash that is deemed to be Capital Surplus pursuant to the provisions of Section 6.3(a) shall, subject to Sections 17-607 and 17-804 of the Delaware Act, be distributed, unless the provisions of Section 6.3 require otherwise, 100% to the Unitholders, Pro Rata, until the Minimum Quarterly Distribution has been reduced to zero pursuant to the second sentence of Section 6.7(a). Thereafter, all Available Cash shall be distributed as if it were Operating Surplus and shall be distributed in accordance with Section 6.4.

(b) *On or after the IO Closing Date*. Available Cash that is deemed to be Capital Surplus pursuant to the provisions of Section 6.3(a) shall, subject to Sections 17-607 and 17-804 of the Delaware Act, be distributed, unless the provisions of Section 6.3 require otherwise, 100% to the Unitholders, Pro Rata, until the Minimum Quarterly Distribution has been reduced to zero pursuant to the second sentence of Section 6.7(a). Available Cash that is deemed to be Capital Surplus shall then be distributed to all Unitholders holding Common Units, Pro Rata, until there has been distributed in respect of each Common Unit then Outstanding an amount equal to the Cumulative Common Unit Arrearage. Thereafter, all Available Cash shall be distributed as if it were Operating Surplus and shall be distributed in accordance with Section 6.4.

Section 6.7 *Adjustment of Minimum Quarterly Distribution and Target Distribution Levels*.



(a) The Minimum Quarterly Distribution, First Target Distribution, Second Target Distribution, Third Target Distribution, Common Unit Arrearages and Cumulative Common Unit Arrearages shall be proportionately adjusted in the event of any distribution, combination or subdivision (whether effected by a distribution payable in Units or otherwise) of Units or other Partnership Interests in accordance with Section 5.8. In the event of a distribution of Available Cash that is deemed to be from Capital Surplus, the then applicable Minimum Quarterly Distribution, First Target Distribution, Second Target Distribution and Third Target Distribution, shall be reduced in the same proportion that the distribution had to the fair market value of the Common Units immediately prior to the announcement of the distribution. If the Common Units are publicly traded on a National Securities Exchange, the fair market value will be the Current Market Price before the ex-dividend date. If the Common Units are not publicly traded, the fair market value will be determined by the Board of Directors of the Managing General Partner.

(b) The Minimum Quarterly Distribution, First Target Distribution, Second Target Distribution and Third Target Distribution, shall also be subject to adjustment pursuant to Section 6.9.

*Section 6.8 Special Provisions Relating to the Holders of Subordinated Units.*

(a) Except with respect to the right to vote on or approve matters requiring the vote or approval of a percentage of the holders of Outstanding Common Units and the right to participate in allocations of income, gain, loss and deduction and distributions made with respect to Common Units, the holder of a Subordinated Unit shall have all of the rights and obligations of a Unitholder holding Common Units hereunder; provided, however, that immediately upon the conversion of Subordinated Units into Common Units pursuant to Section 5.6, the Unitholder holding a Subordinated Unit shall possess all of the rights and obligations of a Unitholder holding Common Units hereunder, including the right to vote as a Common Unitholder and the right to participate in allocations of income, gain, loss and deduction and distributions made with respect to Common Units; provided, however, that such converted Subordinated Units shall remain subject to the provisions of Sections 5.3(c)(ii), 6.1(d)(x) and 6.8(b).

(b) A Unitholder shall not be permitted to transfer a Subordinated Unit or a Subordinated Unit that has converted into a Common Unit pursuant to Section 5.6 (other than a transfer to an Affiliate) if the remaining balance in the transferring Unitholder's Capital Account with respect to the retained Subordinated Units or Retained Converted Subordinated Units would be negative after giving effect to the allocation under Section 5.3(c)(ii)(B).

(c) A Unitholder holding a Subordinated Unit that has converted into a Common Unit pursuant to Section 5.5 shall not be issued a Common Unit Certificate pursuant to Section 4.1, if the Common Units are evidenced by Certificates, and shall not be permitted to transfer its converted Subordinated Units to a Person that is not an Affiliate of the holder until such time as the Managing General Partner determines, in consultation with the Special General Partner, based on advice of counsel, that a converted Subordinated Unit should have, as a substantive matter, like intrinsic economic and federal income tax characteristics, in all material respects, to the intrinsic economic and federal income tax characteristics of an Initial Common Unit. In connection with the condition imposed by this Section 6.8(c), the Managing General Partner shall take, following consultation with the Special General Partner, whatever steps are required

to provide economic uniformity to the converted Subordinated Units in preparation for a transfer of such converted Subordinated Units, including the application of Sections 5.3(c)(ii), 6.1(d)(x) and 6.8(b); provided, however, that no such steps may be taken that would have a material adverse effect on the Unitholders holding Common Units.

Section 6.9 *Entity Level Taxation*. If legislation is enacted or the interpretation of existing language is modified by a court of competent jurisdiction so that a Group Member is treated as an association taxable as a corporation or is otherwise subject to an entity level tax for federal, state or local income tax purposes, then the Managing General Partner may, in its sole discretion, reduce the Minimum Quarterly Distribution, the First Target Distribution, the Second Target Distribution and the Third Target Distribution to take into account the amount of the income taxes that are payable by reason of any such new legislation or interpretation (the "Incremental Income Tax"), or any portion thereof selected by the Managing General Partner, in the manner provided in this Section 6.9. If the Managing General Partner elects to reduce the Minimum Quarterly Distribution, the First Target Distribution, the Second Target Distribution and the Third Target Distribution for any Quarter with respect to all or a portion of the Incremental Income Taxes, the Managing General Partner shall estimate for such Quarter the Partnership Group's aggregate liability (the "Estimated Incremental Quarterly Tax Amount") for all (or the relevant portion of) such Incremental Income Taxes; provided that any difference between such estimate and the actual liability for Incremental Income Taxes (or the relevant portion thereof) or such Quarter may, to the extent determined by the Managing General Partner, be taken into account in determining the Estimated Incremental Quarterly Tax Amount with respect to each Quarter in which any such difference can be determined. For each such Quarter, the Minimum Quarterly Distribution, First Target Distribution, Second Target Distribution and Third Target Distribution, shall be the product obtained by multiplying (a) the amounts therefor that are set out herein prior to the application of this Section 6.9 times (b) the quotient obtained by dividing (i) Available Cash with respect to such Quarter by (ii) the sum of Available Cash with respect to such Quarter and the Estimated Incremental Quarterly Tax Amount for such Quarter, as determined by the Managing General Partner. For purposes of the foregoing, Available Cash with respect to a Quarter will be deemed reduced by the Estimated Incremental Quarterly Tax Amount for that Quarter.

Section 6.10 *Distributions in Connection with Initial Offering*.

Notwithstanding any provision of this Agreement to the contrary, there shall be two Quarters in the fiscal quarter in which the IO Closing Date occurs; one Quarter comprised of the period of such fiscal quarter before the IO Closing Date and one Quarter comprised of the period of such fiscal quarter from and after the IO Closing Date. With respect to the distribution for the fiscal quarter in which the IO Closing Date occurs, (a) the amount of Available Cash distributed to the Partners pursuant to Section 6.4(a) (and Section 6.6(a), if applicable), shall equal 100% of Available Cash with respect to such fiscal quarter multiplied by a fraction, the numerator of which is the number of days in such fiscal quarter before the IO Closing Date and the denominator of which is the total number of days in such fiscal quarter; and (b) the amount of Available Cash distributed to the Partners pursuant to Section 6.4(b) (and Section 6.6(b), if applicable) shall equal 100% of Available Cash with respect to such fiscal quarter less the amount described in clause (a).

Section 6.11 *Limitation on Increases in Distributions.*

Following such time as (a) no Group Member is a guarantor of any Coffeyville Credit Agreement and (b) the Non-IDR Surplus Amount has been distributed to the Outstanding Units, the Managing General Partner shall not cause the Partnership to make a regular Quarterly distribution of Available Cash that is deemed to be Operating Surplus at a per-Unit amount that represents an increase from the per-Unit amount of the most regular Quarterly Distribution preceding the date of determination unless the Managing General Partner determines that the increased per-Unit distribution amount is likely to be sustainable for a period of at least twelve consecutive Quarters from the date of increase. This Section 6.11 shall not apply to any special distributions or any distribution in the nature of a liquidating distribution or partially liquidating distribution.

**ARTICLE VII  
MANAGEMENT AND OPERATION OF BUSINESS**

Section 7.1 *Management.*

(a) The General Partners shall conduct, direct and manage all activities of the Partnership. Except as otherwise expressly provided in this Agreement, all powers to manage and control the business and affairs of the Partnership shall be exclusively vested in the General Partners, and no other Partner shall have any management power over the business and affairs of the Partnership. The management and control power of the Special General Partner over the business and affairs of the Partnership are provided in, and limited to, Section 7.3. In addition to the powers now or hereafter granted a general partner of a limited partnership under applicable law or that are granted to the Managing General Partner under any other provision of this Agreement, the Managing General Partner, subject in each instance to the extent relevant (whether or not specifically noted below) to Section 7.3, shall have full power and authority to do all things and on such terms as it determines to be necessary or appropriate to conduct the business of the Partnership, to exercise all powers set forth in Section 2.5 and to effectuate the purposes set forth in Section 2.4, including the following:

- (i) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness, including indebtedness that is convertible or exchangeable into Partnership Interests, and the incurring of any other obligations;
- (ii) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;
- (iii) the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation or exchange of any or all of the assets of the Partnership or the merger or other combination of the Partnership with or into another Person (the matters described in this clause (iii) being subject to Article XIV);
- (iv) the use of the assets of the Partnership (including cash on hand) for any purpose consistent with the terms of this Agreement, including the financing of the

conduct of the operations of the Partnership Group; the lending of funds to other Persons (including other Group Members); the repayment or guarantee of obligations of any Group Member; and the making of capital contributions to any Group Member (the matters described in this clause (iv) being subject, however, to subject to Section 7.6(a));

(v) the negotiation, execution and performance of any contracts, conveyances or other instruments (including instruments that limit the liability of the Partnership under contractual arrangements to all or particular assets of the Partnership, with the other party to the contract to have no recourse against the Managing General Partner or its assets other than its interest in the Partnership, even if same results in the terms of the transaction being less favorable to the Partnership than would otherwise be the case);

(vi) the distribution of Partnership cash;

(vii) the selection and dismissal of employees (including employees having titles such as “chief executive officer,” “president,” “chief financial officer,” “vice president,” “secretary” and “treasurer”) and agents, outside attorneys, accountants, consultants and contractors and the determination of their compensation and other terms of employment or hiring;

(viii) the maintenance of insurance for the benefit of the Partnership Group, the Partners and Indemnitees;

(ix) the formation of, or acquisition of an interest in, and the contribution of property and the making of loans to, any further limited or general partnerships, joint ventures, corporations, limited liability companies or other relationships (including the acquisition of interests in, and the contributions of property to, any Group Member from time to time) subject to the restrictions set forth in Section 2.4;

(x) the control of any matters affecting the rights and obligations of the Partnership, including the bringing and defending of actions at law or in equity and otherwise engaging in the conduct of litigation, arbitration or mediation and the incurring of legal expense and the settlement of claims and litigation;

(xi) the indemnification of any Person against liabilities and contingencies to the extent permitted by law;

(xii) the entering into of listing agreements with any National Securities Exchange and the delisting of some or all of the Partnership Interests from, or requesting that trading be suspended on, any such exchange (subject to any prior approval required under Section 4.8);

(xiii) the purchase, sale or other acquisition or disposition of Partnership Interests, or the issuance of options, rights, warrants and appreciation rights relating to Partnership Interests;

(xiv) the undertaking of any action in connection with the Partnership's participation in the management of any Group Member through its directors, officers, employees or the Partnership's direct or indirect ownership of Group Members; and

(xv) the entering into of agreements with any of its Affiliates to render services to a Group Member or to itself in the discharge of its duties as Managing General Partner of the Partnership.

(b) Notwithstanding any other provision of this Agreement, any Group Member Agreement, the Delaware Act or any applicable law, rule or regulation, each of the Limited Partners and each other Person who may acquire an interest in Partnership Interests hereby (i) approves, ratifies and confirms the execution, delivery and performance by the parties thereto of this Agreement and the Group Member Agreement of each other Group Member, the Omnibus Agreement (in substantially the form circulated prior to the date hereof, without giving effect to any amendments, supplements or restatements after the Effective Date), the Contribution Agreement (in substantially the form circulated prior to the date hereof, without giving effect to any amendments, supplements or restatements after the Effective Date) and the other agreements described in or filed as exhibits to the Registration Statement that are related to the transactions contemplated by the Registration Statement; (ii) agrees that the Managing General Partner (on its own or on behalf of the Partnership) is authorized to execute, deliver and perform the agreements referred to in clause (i) of this sentence and the other agreements, acts, transactions and matters described in or contemplated by the Registration Statement on behalf of the Partnership without any further act, approval or vote of the Partners or the other Persons who may acquire an interest in Partnership Interests; and (iii) agrees that the execution, delivery or performance by the Managing General Partner, the Special General Partner, any Group Member or any Affiliate of any of them of this Agreement or any agreement authorized or permitted under this Agreement (including the exercise by the Managing General Partner or any Affiliate of the Managing General Partner of the rights accorded pursuant to Article XV) shall not constitute a breach by a General Partner of any duty that such General Partner may owe the Partnership or the Partners or any other Persons under this Agreement (or any other agreements) or of any duty existing at law, in equity or otherwise.

*Section 7.2 Certificate of Limited Partnership.* The Managing General Partner has caused the Certificate of Limited Partnership to be filed with the Secretary of State of the State of Delaware as required by the Delaware Act. The Managing General Partner shall use all reasonable efforts to cause to be filed such other certificates or documents that the Managing General Partner determines to be necessary or appropriate for the formation, continuation, qualification and operation of a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware or any other state in which the Partnership may elect to do business or own property. To the extent the Managing General Partner determines such action to be necessary or appropriate, the Managing General Partner shall file amendments to and restatements of the Certificate of Limited Partnership and do all things to maintain the Partnership as a limited partnership (or a partnership or other entity in which the limited partners have limited liability) under the laws of the State of Delaware or of any other state in which the Partnership may elect to do business or own property. Subject to the terms of Section 3.4(a), the Managing General Partner shall not be required, before or after filing, to deliver or mail a copy

of the Certificate of Limited Partnership, any qualification document or any amendment thereto to any Partner.

*Section 7.3 Restrictions on the General Partners' Authority; Management Rights of Special General Partner.*

(a) Except as provided in Articles XII and XIV, the General Partners may not sell, exchange or otherwise dispose of all or substantially all of the assets of the Partnership Group, taken as a whole, in a single transaction or a series of related transactions without the approval of holders of a Unit Majority; provided, however, that this provision shall not preclude or limit the Managing General Partner's ability to mortgage, pledge, hypothecate or grant a security interest in all or substantially all of the assets of the Partnership Group and shall not apply to any forced sale of any or all of the assets of the Partnership Group pursuant to the foreclosure of, or other realization upon, any such encumbrance. Without the approval of holders of a Unit Majority, the Managing General Partner shall not, on behalf of the Partnership, except as permitted under Sections 4.6, 11.1 and 11.2, elect or cause the Partnership to elect a successor general partner of the Partnership.

(b) The Partnership may not take any of the following actions without approval of both General Partners:

(i) any merger or consolidation by the Partnership into another entity where:

(A) if the Special General Partner owns 50% or more of the Outstanding Units immediately prior to the merger or consolidation, less than 60% of the equity interests of the resulting entity are owned by the pre-merger Unitholders of the Partnership;

(B) if the Special General Partner owns 25% or more of all units of the Outstanding Units immediately prior to the merger or consolidation, less than 50% of the equity interests of the resulting entity are owned by the pre-merger Unitholders of the Partnership; and

(C) if the Special General Partner owns 15% or more of all units of the Outstanding Units immediately prior to the merger or consolidation, less than 40% of the equity interests of the resulting entity are owned by the pre-merger Unitholders of the Partnership;

(ii) any purchase or sale, exchange or other transfer of assets or entities by the Partnership with a purchase/sale price equal to 50% or more of the current asset value of the Partnership;

(iii) any fundamental change in the business of the Partnership from that conducted by the assets contributed to the Partnership pursuant to the Contribution Agreement;

(iv) any incurrence of indebtedness by the Partnership or issuance of Partnership Interests with rights to distribution or in liquidation ranking prior or senior to

the Common Units, in either case in excess of \$125 million (\$200 million in the case of the Initial Offering, excluding any proceeds from any Over-Allotment Option), increased from time to time by 80% of the purchase price for assets or entities whose purchase was approved by the Special General Partner pursuant to Section 7.3(b)(ii).

(c) The Managing General Partner and the Special General Partner, acting in a reasonable manner and not unreasonably refusing to approve the Person proposed by the Managing General Partner, shall jointly appoint one or more Persons to serve as the chief executive officer and one or more Persons to serve as the chief financial officer for the Partnership. For the avoidance of doubt, the term "chief executive officer" refers to the Person or Persons who have general and active management and control of the affairs and business and general supervision of the Partnership and to whom the other Persons performing the functions equivalent to officers, agents and employees of the Partnership ultimately report and the term "chief financial officer" refers to the Person or Persons who have responsibility to oversee the financial operations of the Partnership. No Person serving as the chief executive officer or chief financial officer for the Partnership may be removed from such Person's position and the responsibilities and compensation of such Person shall not be changed in any material respect without consent of the Special General Partner, such consent not to be unreasonably withheld. If a Person proposed to be appointed as the chief executive officer or chief financial officer for the Partnership is an executive officer of CVR Energy, Inc., or its successor as beneficial owner of the Special General Partner, or any of its Subsidiaries (other than a Group Member), the Special General Partner shall be deemed to have approved the appointment of such executive officer as the chief executive officer or chief financial officer for the Partnership. The organizational documents of the Managing General Partner shall implement the Special General Partners' rights under this Section 7.3(c) in a manner reasonably acceptable to the General Partners. The organizational documents of the Managing General Partner shall not be amended or modified in any manner that adversely affects the rights of the Special General Partner under this Section 7.3(c) without the consent of the Special General Partner.

(d) The Managing General Partner agrees that the Special General Partner has the right to appoint two Persons to be members of the Board of Directors and the right to appoint one such director to any committee of the Board of Directors, *provided* that the Special General Partner shall not have the right to appoint any director to (i) any committee of the Board of Directors where such appointment would violate any applicable law, rule or regulation or (ii) the Conflicts Committee if such director does not satisfy the criteria to serve on the Conflicts Committee specified in the definition of "Conflicts Committee." The organizational documents of the Managing General Partner shall implement the Special General Partner's rights under this Section 7.3(d) in a manner reasonably acceptable to the General Partners. The organizational documents of the Managing General Partner shall not be amended or modified in any manner that adversely affects the rights of the Special General Partner under this Section 7.3(d) without the consent of the Special General Partner.

(e) The Special General Partner shall be deemed to have approved any matter specified in Section 7.3(b), (c) or (d) if the Managing General Partner receives a written, facsimile or electronic instruction evidencing such approval from the Special General Partner.

*Section 7.4 Reimbursement of the General Partners.*

(a) Except as provided in this Section 7.4 and elsewhere in this Agreement, the General Partners shall not be compensated for their services as a general partner or managing member of any Group Member.

(b) The Managing General Partner shall be reimbursed on a monthly basis, or such other basis as the Managing General Partner may determine, for (i) all direct and indirect expenses it incurs or payments it makes on behalf of the Partnership Group (including salary, bonus, incentive compensation and other amounts paid to any Person including Affiliates of the Managing General Partner to perform services for the Partnership Group or for the Managing General Partner in the discharge of its duties to the Partnership Group), and (ii) all other expenses reasonably allocable to the Partnership Group or otherwise incurred by the Managing General Partner in connection with operating the Partnership Group's business (including expenses allocated to the Managing General Partner by its Affiliates). The Managing General Partner shall determine the expenses that are allocable to the Partnership Group. Reimbursements pursuant to this Section 7.4 shall be in addition to any reimbursement to the Managing General Partner as a result of indemnification pursuant to Section 7.7.

(c) The Managing General Partner and its Affiliates may charge any member of the Partnership Group a management fee to the extent necessary to allow the Partnership Group to reduce the amount of any state franchise or income tax or any tax based upon the revenues or gross margin of any member of the Partnership Group if the tax benefit produced by the payment of such management fee or fees exceeds the amount of such fee or fees.

(d) The Managing General Partner, without the approval of the other Partners (who shall have no right to vote in respect thereof) but subject to any applicable management rights of the Special General Partner expressly provided in Section 7.3, may propose and adopt on behalf of the Partnership employee benefit plans, employee programs and employee practices (including plans, programs and practices involving the issuance of Partnership Interests or options to purchase or rights, warrants or appreciation rights relating to Partnership Interests), or cause the Partnership to issue Partnership Interests in connection with, or pursuant to, any employee benefit plan, employee program or employee practice maintained or sponsored by the Managing General Partner or any of its Affiliates, in each case for the benefit of employees of the Managing General Partner or its Affiliates, any Group Member or their Affiliates, or any of them, in respect of services performed, directly or indirectly, for the benefit of the Partnership Group. The Partnership agrees to issue and sell to the Managing General Partner or any of its Affiliates any Partnership Interests that the Managing General Partner or such Affiliates are obligated to provide to any employees pursuant to any such employee benefit plans, employee programs or employee practices. Expenses incurred by the Managing General Partner in connection with any such plans, programs and practices (including the net cost to the Managing General Partner or such Affiliates of Partnership Interests purchased by the Managing General Partner or such Affiliates, from the Partnership or otherwise, to fulfill options or awards under such plans, programs and practices) shall be reimbursed in accordance with Section 7.4(b). Any and all obligations of the Managing General Partner under any employee benefit plans, employee programs or employee practices adopted by the Managing General Partner as permitted by this Section 7.4(c) shall constitute obligations of the Managing General Partner hereunder and shall be assumed by any successor Managing General Partner approved pursuant to Section 11.1 or



11.2 or the transferee of or successor to all of the Managing General Partner's Managing General Partner Interest pursuant to Section 4.6.

*Section 7.5 Outside Activities.*

(a) After the Effective Date, the Managing General Partner, for so long as it is the Managing General Partner of the Partnership (i) agrees that its sole business will be to act as a general partner or managing member, as the case may be, of the Partnership and any other partnership or limited liability company of which the Partnership is, directly or indirectly, a partner or member and to undertake activities that are ancillary or related thereto (including being a limited partner in the Partnership) and (ii) shall not engage in any business or activity or incur any debts or liabilities except in connection with or incidental to (A) its performance as general partner or managing member, if any, of one or more Group Members or as described in or contemplated by the Registration Statement or (B) the acquiring, owning or disposing of debt securities or equity interests in any Group Member.

(b) On or before the Closing Date CVR Energy, Inc. will enter into the Omnibus Agreement, which agreement will set forth certain restrictions on the ability of CVR Energy, Inc. and its controlled Affiliates (other than the Partnership) to engage in Fertilizer Restricted Businesses.

(c) Except as specifically restricted by the Omnibus Agreement, each Unrestricted Person (other than the Managing General Partner) shall have the right to engage in businesses of every type and description and other activities for profit and to engage in and possess an interest in other business ventures of any and every type or description, whether in businesses engaged in or anticipated to be engaged in by any Group Member, independently or with others, including business interests and activities in direct competition with the business and activities of any Group Member, and none of the same shall constitute a breach of this Agreement or any duty otherwise existing at law, in equity or otherwise, to any Group Member or any Partner.

(d) Notwithstanding anything to the contrary in this Agreement, the doctrine of corporate opportunity, or any analogous doctrine, shall not apply to any Unrestricted Person (including the Managing General Partner). Except as specifically provided in the Omnibus Agreement, no Unrestricted Person (including the Managing General Partner) who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Partnership shall have any duty to communicate or offer such opportunity to the Partnership, and such Unrestricted Person (including the Managing General Partner) shall not be liable to the Partnership, any Partner or any other Person for breach of any fiduciary or other duty by reason of the fact that such Unrestricted Person (including the Managing General Partner) pursues or acquires for itself, directs such opportunity to another Person or does not communicate such opportunity or information to the Partnership.

(e) Subject to the terms of Section 7.5(a), Section 7.5(b), Section 7.5(c) and the Omnibus Agreement, but otherwise notwithstanding anything to the contrary in this Agreement, (i) the engaging in competitive activities by any Unrestricted Person (other than the Managing General Partner) in accordance with the provisions of this Section 7.5 is hereby approved by the Partnership and all Partners, and (ii) it shall be deemed not to be a breach of any fiduciary duty

or any other duty or obligation of any type whatsoever of the Managing General Partner or of any other Unrestricted Person for the Unrestricted Person (other than the Managing General Partner) to engage in such business interests and activities in preference to or to the exclusion of the Partnership and the other Group Members.

(f) The Managing General Partner and each of its Affiliates may acquire Units or other Partnership Interests and, except as otherwise expressly provided in this Agreement, shall be entitled to exercise, at their option, all rights relating to all Units or other Partnership Interests acquired by them. The term "Affiliates" when used in this Section 7.5(f) with respect to the Managing General Partner shall not include any Group Member.

(g) Notwithstanding anything in this Agreement to the contrary, nothing herein shall be deemed to restrict Goldman, Sachs & Co., Kelso & Company, L.P. or their respective Affiliates (other than the Managing General Partner), or their respective successors and assigns as owners of interests in either of the General Partners, from engaging in any banking, brokerage, trading, market making, hedging, arbitrage, investment advisory, financial advisory, anti-raid advisory, merger advisory, financing, lending, underwriting, asset management, principal investing, mergers & acquisitions or other activities conducted in the ordinary course of their or their Affiliates' business in compliance with applicable law, including without limitation buying and selling debt securities or equity interests of any other Partner or Group Member, entering into derivatives transactions regarding or shorting equity interests of any other Partner or Group Member, serving as a lender, underwriter or market maker or issuing research with respect to debt securities or equity interests of any Partner or Group Member or acquiring, selling, making investments in or entering into other transactions or undertaking any opportunities with companies or businesses in the same or similar lines of business as any Partner or Group Member or any other businesses.

*Section 7.6 Loans from the General Partners; Loans or Contributions from the Partnership or Group Members.*

(a) The General Partners or any of their respective Affiliates may, but shall be under no obligation to, lend to any Group Member, and any Group Member may borrow from a General Partner or any of its Affiliates, funds needed or desired by the Group Member for such periods of time and in such amounts as the Managing General Partner may determine; provided, however, that in any such case the lending party may not charge the borrowing party interest at a rate greater than the rate that would be charged the borrowing party or impose terms less favorable to the borrowing party than would be charged or imposed on the borrowing party by unrelated lenders on comparable loans made on an arm's length basis (without reference to the lending party's financial abilities or guarantees), all as determined by the Managing General Partner. The borrowing party shall reimburse the lending party for any costs (other than any additional interest costs) incurred by the lending party in connection with the borrowing of such funds. For purposes of this Section 7.6(a) and Section 7.6(b), the term "Group Member" shall include any Affiliate of a Group Member that is controlled by the Group Member.

(b) The Partnership may lend or contribute to any Group Member, and any Group Member may borrow from the Partnership, funds on terms and conditions determined by the

Managing General Partner. No Group Member may lend funds to a General Partner or any of its Affiliates (other than another Group Member).

(c) No borrowing by any Group Member or the approval thereof by the General Partners shall be deemed to constitute a breach of any duty, expressed or implied, of the General Partners or their Affiliates to the Partnership or the Partners by reason of the fact that the purpose or effect of such borrowing is directly or indirectly to (i) enable distributions to the Managing General Partner in respect of the Incentive Distribution Rights or (ii) hasten the expiration of the Subordination Period or the conversion of any Subordinated Units into Common Units.

*Section 7.7 Indemnification.*

(a) To the fullest extent permitted by law but subject to the limitations expressly provided in this Agreement, all Indemnitees shall be indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all threatened, pending or completed claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, and whether formal or informal and including appeals, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an Indemnitee; provided, that the Indemnitee shall not be indemnified and held harmless if there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Section 7.7, the Indemnitee acted in bad faith or engaged in fraud, willful misconduct or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was unlawful; provided, further, no indemnification pursuant to this Section 7.7 shall be available to the Managing General Partner or its Affiliates (other than a Group Member) with respect to its or their obligations incurred pursuant to the Omnibus Agreement or the Contribution Agreement (other than obligations incurred by the Managing General Partner on behalf of the Partnership). Any indemnification pursuant to this Section 7.7 shall be made only out of the assets of the Partnership, it being agreed that the General Partners shall not be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Partnership to enable it to effectuate such indemnification.

(b) To the fullest extent permitted by law, expenses (including legal fees and expenses) incurred by an Indemnitee who is indemnified pursuant to Section 7.7(a) in appearing at, participating in or defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Partnership prior to a final and non-appealable determination that the Indemnitee is not entitled to be indemnified upon receipt by the Partnership of any undertaking by or on behalf of the Indemnitee to repay such amount if it shall be ultimately determined that the Indemnitee is not entitled to be indemnified as authorized in this Section 7.7.

(c) The indemnification provided by this Section 7.7 shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any vote of the holders of Outstanding Limited Partner Interests, as a matter of law, in equity or otherwise, both as to actions in the Indemnitee's capacity as an Indemnitee and as to actions in any other

capacity, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Partnership may purchase and maintain (or reimburse the Managing General Partner or its Affiliates for the cost of) insurance, on behalf of the Managing General Partner, its Affiliates, the Indemnitees and such other Persons as the Managing General Partner shall determine, against any liability that may be asserted against, or expense that may be incurred by, such Person in connection with the Partnership's activities or such Person's activities on behalf of the Partnership, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) For purposes of this Section 7.7, the Partnership shall be deemed to have requested an Indemnitee to serve as fiduciary of an employee benefit plan whenever the performance by it of its duties to the Partnership also imposes duties on, or otherwise involves services by, it to the plan or participants or beneficiaries of the plan; excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall constitute "fines" within the meaning of Section 7.7(a); and action taken or omitted by an Indemnitee with respect to any employee benefit plan in the performance of its duties for a purpose reasonably believed by it to be in the best interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose that is in the best interests of the Partnership.

(f) In no event may an Indemnitee subject the Limited Partners to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 7.7 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 7.7 are for the benefit of the Indemnitees and their heirs, successors, assigns, executors and administrators and shall not be deemed to create any rights for the benefit of any other Persons.

(i) No amendment, modification or repeal of this Section 7.7 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Indemnitee to be indemnified by the Partnership, nor the obligations of the Partnership to indemnify any such Indemnitee under and in accordance with the provisions of this Section 7.7 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

*Section 7.8 Liability of Indemnitees.*

(a) Notwithstanding anything to the contrary set forth in this Agreement, no Indemnitee shall be liable for monetary damages to the Partnership, the Partners or any other Persons who have acquired interests in the Partnership Interests, for losses sustained or liabilities incurred as a result of any act or omission of an Indemnitee unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in

respect of the matter in question, the Indemnitee acted in bad faith or engaged in fraud, willful misconduct or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was criminal.

(b) Subject to its obligations and duties as Managing General Partner set forth in Section 7.1(a), the Managing General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and the Managing General Partner shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the Managing General Partner in good faith.

(c) To the extent that, at law or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to the Partners, the Managing General Partner and any other Indemnitee acting in connection with the Partnership's business or affairs shall not be liable to the Partnership or to any Partner for its good faith reliance on the provisions of this Agreement.

(d) Any amendment, modification or repeal of this Section 7.8 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of the Indemnitees under this Section 7.8 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

*Section 7.9 Resolution of Conflicts of Interest; Standards of Conduct and Modification of Duties.*

(a) Unless otherwise expressly provided in this Agreement or any Group Member Agreement, whenever a potential conflict of interest exists or arises between a General Partner or any of its respective Affiliates, on the one hand, and the Partnership, any Group Member or any other Partner, on the other, any resolution or course of action by the General Partner or any of its respective Affiliates in respect of such conflict of interest shall be permitted and deemed approved by all Partners, and shall not constitute a breach of this Agreement, of any Group Member Agreement, of any agreement contemplated herein or therein, or of any duty hereunder or existing at law, in equity or otherwise, if the resolution or course of action in respect of such conflict of interest is (i) approved by Special Approval, (ii) approved by the vote of a majority of the Units (excluding Units owned by the Managing General Partner and its Affiliates), (iii) on terms no less favorable to the Partnership than those generally being provided to or available from unrelated third parties or (iv) fair and reasonable to the Partnership, taking into account the totality of the relationships between the parties involved (including other transactions that may be particularly favorable or advantageous to the Partnership). The Managing General Partner shall be authorized but not required in connection with its resolution of such conflict of interest to seek Special Approval or Unitholder approval of such resolution, and the Managing General Partner may also adopt a resolution or course of action that has not received Special Approval or Unitholder approval. If Special Approval or Unitholder approval is not sought and the Board of Directors determines that the resolution or course of action taken with respect to a conflict of interest satisfies either of the standards set forth in clauses (iii) or (iv) above, then it shall be

presumed that, in making its decision, the Board of Directors acted in good faith, and in any proceeding brought by any Partner or by or on behalf of such Partner or any other Partner or the Partnership challenging such approval, the Person bringing or prosecuting such proceeding shall have the burden of overcoming such presumption. Notwithstanding anything to the contrary in this Agreement or any duty otherwise existing at law or equity, the existence of the conflicts of interest described in the Registration Statement are hereby approved by all Partners and shall not constitute a breach of this Agreement.

(b) Whenever a General Partner makes a determination or takes or declines to take any other action, or any of its respective Affiliates causes it to do so, in its capacity as a general partner of the Partnership as opposed to in its individual capacity, whether under this Agreement, any Group Member Agreement or any other agreement contemplated hereby or otherwise, then, unless another express standard is provided for in this Agreement, the General Partner or such Affiliates causing it to do so, shall make such determination or take or decline to take such other action in good faith and shall not be subject to any other or different standards imposed by this Agreement, any Group Member Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation or at equity. In order for a determination or other action to be in "good faith" for purposes of this Agreement, the Person or Persons making such determination or taking or declining to take such other action must believe that the determination or other action is in the best interests of the Partnership.

(c) Whenever a General Partner makes a determination or takes or declines to take any other action, or any of its respective Affiliates causes it to do so, in its individual capacity as opposed to in its capacity as the general partner of the Partnership, whether under this Agreement, any Group Member Agreement or any other agreement contemplated hereby or otherwise, then the General Partner, or such Affiliates causing it to do so, are entitled to make such determination or to take or decline to take such other action free of any fiduciary duty or obligation whatsoever to the Partnership, or any other Partner, and the General Partner, or such Affiliates causing it to do so, shall not be required to act in good faith or pursuant to any other standard imposed by this Agreement, any Group Member Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation or at equity. By way of illustration and not of limitation, whenever the phrase, "at the option of the General Partner," or some variation of that phrase, is used in this Agreement, it indicates that the General Partner is acting in its individual capacity. For the avoidance of doubt, whenever a General Partner votes or transfers its Partnership Interest, or refrains from voting or transferring its Partnership Interest, it shall be acting in its individual capacity. The organizational documents of each General Partner may provide that determinations to take or decline to take any action in its individual, rather than representative, capacity may or shall be determined by its members, if the General Partner is a limited liability company, stockholders, if the General Partner is a corporation, or the members or stockholders of the General Partner's general partner, if the General Partner is a limited partnership.

(d) Notwithstanding anything to the contrary in this Agreement, the General Partners and their respective Affiliates shall have no duty or obligation, express or implied, to (i) sell or otherwise dispose of any asset of the Partnership Group other than in the ordinary course of business or (ii) permit any Group Member to use any facilities or assets of the General Partner and their respective Affiliates, except as may be provided in contracts entered into from time to

time specifically dealing with such use. Any determination by the General Partner or any of their respective Affiliates to enter into such contracts shall be in its sole discretion.

(e) Except as expressly set forth in this Agreement, neither the General Partners nor any other Indemnitee shall have any duties or liabilities, including fiduciary duties, to the Partnership or any Partner and the provisions of this Agreement, to the extent that they restrict, eliminate or otherwise modify the duties and liabilities, including fiduciary duties, of the General Partner or any other Indemnitee otherwise existing at law or in equity, are agreed by the Partners to replace such other duties and liabilities of the General Partner or such other Indemnitee.

(f) The Unitholders hereby authorize the Managing General Partner, on behalf of the Partnership as a partner or member of a Group Member, to approve actions by the general partner or managing member of such Group Member similar to those actions permitted to be taken by the Managing General Partner pursuant to this Section 7.9.

*Section 7.10 Other Matters Concerning the General Partners.*

(a) Each General Partner may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Each General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the advice or opinion (including an Opinion of Counsel) of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such advice or opinion.

(c) Each General Partner shall have the right, in respect of any of its powers or obligations hereunder, to act through any of its duly authorized officers, a duly appointed attorney or attorneys-in-fact or, in the case of the Managing General Partner, the duly authorized officers of the Partnership.

*Section 7.11 Purchase or Sale of Partnership Interests.* The Managing General Partner may cause the Partnership to purchase or otherwise acquire Partnership Interests; provided that, except as permitted pursuant to Section 4.9, the Managing General Partner may not cause any Group Member to purchase Subordinated Units during the Subordination Period. As long as Partnership Interests are held by any Group Member, such Partnership Interests shall not be considered Outstanding for any purpose, except as otherwise provided herein. The General Partners or any of their respective Affiliates may also purchase or otherwise acquire and sell or otherwise dispose of Partnership Interests for its own account, subject to the provisions of Articles IV and X.

*Section 7.12 Registration Rights of the General Partners and their Affiliates.*

(a) Following the Initial Public Offering, if (i) a General Partner or any of its respective Affiliates (including for purposes of this Section 7.12, any Person that is an Affiliate

of a General Partner at the Effective Date notwithstanding that it may later cease to be an Affiliate of a General Partner) holds Partnership Interests that it desires to sell and (ii) Rule 144 of the Securities Act (or any successor rule or regulation to Rule 144) or another exemption from registration is not available to enable such holder of Partnership Interests (the "Holder") to dispose of the number of Partnership Interests it desires to sell at the time it desires to do so without registration under the Securities Act, then at the option and upon the request of the Holder, the Partnership shall file with the Commission as promptly as practicable after receiving such request, and use all commercially reasonable efforts to cause to become effective and remain effective for a period of not less than six months following its effective date or such shorter period as shall terminate when all Partnership Interests covered by such registration statement have been sold, a registration statement under the Securities Act registering the offering and sale of the number of Partnership Interests specified by the Holder; provided, however, that the aggregate offering price of any such offering and sale of Partnership Interests covered by such registration statement as provided for in this Section 7.12(a) shall not be less than \$5.0 million; provided further, that the Partnership shall not be required to effect more than two registrations pursuant to this Section 7.12(a) in any twelve-month period; and provided further, that if the Managing General Partner determines that a postponement of the requested registration for up to six months would be in the best interests of the Partnership and its Partners due to a pending transaction, investigation or other event, the filing of such registration statement or the effectiveness thereof may be deferred for up to six months, but not thereafter. In connection with any registration pursuant to the immediately preceding sentence, the Partnership shall (i) promptly prepare and file (A) such documents as may be necessary to register or qualify the securities subject to such registration under the securities laws of such states as the Holder shall reasonably request; provided, however, that no such qualification shall be required in any jurisdiction where, as a result thereof, the Partnership would become subject to general service of process or to taxation or qualification to do business as a foreign corporation or partnership doing business in such jurisdiction solely as a result of such registration, and (B) such documents as may be necessary to apply for listing or to list the Partnership Interests subject to such registration on such National Securities Exchange as the Holder shall reasonably request, and (ii) do any and all other acts and things that may be necessary or appropriate to enable the Holder to consummate a public sale of such Partnership Interests in such states. Except as set forth in Section 7.12(c), all costs and expenses of any such registration and offering (other than the underwriting discounts and commissions) shall be paid by the Partnership, without reimbursement by the Holder.

(b) If the Partnership shall at any time propose to file a registration statement under the Securities Act for an offering of Partnership Interests for cash (other than an offering relating solely to an employee benefit plan but including the Initial Public Offering), the Partnership shall use all commercially reasonable efforts to include such number or amount of Partnership Interests held by any Holder in such registration statement as the Holder shall request; provided, that the Partnership is not required to make any effort or take any action to so include the Partnership Interests of the Holder once the registration statement becomes or is declared effective by the Commission, including any registration statement providing for the offering from time to time of Partnership Interests pursuant to Rule 415 of the Securities Act. If the proposed offering pursuant to this Section 7.12(b) shall be an underwritten offering, then, in the event that the managing underwriter or managing underwriters of such offering advise the Partnership and the Holder that in their opinion the inclusion of all or some of the Holder's



Partnership Interests would adversely and materially affect the success of the offering, the Partnership shall include in such offering only that number or amount, if any, of Partnership Interests held by the Holder that, in the opinion of the managing underwriter or managing underwriters, will not so adversely and materially affect the offering. Except as set forth in Section 7.12(c), all costs and expenses of any such registration and offering (other than the underwriting discounts and commissions) shall be paid by the Partnership, without reimbursement by the Holder.

(c) If underwriters are engaged in connection with any registration referred to in this Section 7.12, the Partnership shall provide indemnification, representations, covenants, opinions and other assurance to the underwriters in form and substance reasonably satisfactory to such underwriters. Further, in addition to and not in limitation of the Partnership's obligation under Section 7.7, the Partnership shall, to the fullest extent permitted by law, indemnify and hold harmless the Holder, its officers, directors and each Person who controls the Holder (within the meaning of the Securities Act) and any agent thereof (collectively, "Indemnified Persons") against any losses, claims, demands, actions, causes of action, assessments, damages, liabilities (joint or several), costs and expenses (including interest, penalties and reasonable attorneys' fees and disbursements), resulting to, imposed upon, or incurred by the Indemnified Persons, directly or indirectly, under the Securities Act or otherwise (hereinafter referred to in this Section 7.12(c) as a "claim" and in the plural as "claims") based upon, arising out of or resulting from any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which any Partnership Interests were registered under the Securities Act or any state securities or Blue Sky laws, in any preliminary prospectus or issuer free writing prospectus as defined in Rule 433 of the Securities Act (if used prior to the effective date of such registration statement), or in any summary or final prospectus or in any amendment or supplement thereto (if used during the period the Partnership is required to keep the registration statement current), or arising out of, based upon or resulting from the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading; provided, however, that the Partnership shall not be liable to any Indemnified Person to the extent that any such claim arises out of, is based upon or results from an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, such preliminary, summary or final prospectus or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Partnership by or on behalf of such Indemnified Person specifically for use in the preparation thereof.

(d) The provisions of Sections 7.12(a) and 7.12(b) shall continue to be applicable with respect to a General Partner (and any of the General Partner's Affiliates) after it ceases to be a General Partner, during a period of two years subsequent to the effective date of such cessation and for so long thereafter as is required for the Holder to sell all of the Partnership Interests with respect to which it has requested during such two-year period inclusion in a registration statement otherwise filed or that a registration statement be filed; provided, however, that the Partnership shall not be required to file successive registration statements covering the same Partnership Interests for which registration was demanded during such two-year period. The provisions of Section 7.12(c) shall continue in effect thereafter.

(e) The rights to cause the Partnership to register Partnership Interests pursuant to this Section 7.12 may be assigned (but only with all related obligations) by a Holder to a transferee or

assignee of such Partnership Interests, provided (i) the Partnership is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the Partnership Interests with respect to which such registration rights are being assigned; and (ii) such transferee or assignee agrees in writing to be bound by and subject to the terms set forth in this Section 7.12.

(f) Any request to register Partnership Interests pursuant to this Section 7.12 shall (i) specify the Partnership Interests intended to be offered and sold by the Person making the request, (ii) express such Person's present intent to offer such Partnership Interests for distribution, (iii) describe the nature or method of the proposed offer and sale of Partnership Interests, and (iv) contain the undertaking of such Person to provide all such information and materials and take all action as may be required in order to permit the Partnership to comply with all applicable requirements in connection with the registration of such Partnership Interests.

Section 7.13 *Reliance by Third Parties*. Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the Managing General Partner and any officer of the Managing General Partner authorized by the Managing General Partner to act on behalf of and in the name of the Partnership has full power and authority to encumber, sell or otherwise use in any manner any and all assets of the Partnership and to enter into any authorized contracts on behalf of the Partnership, and such Person shall be entitled to deal with the Managing General Partner or any such officer as if it were the Partnership's sole party in interest, both legally and beneficially. Each Partner hereby waives any and all defenses or other remedies that may be available to such Partner to contest, negate or disaffirm any action of the Managing General Partner or any such officer in connection with any such dealing; *provided* that this sentence does not modify and is not a waiver or limitation of the authority, powers, rights or remedies, or the limitations on the authority, powers, or rights, as between the General Partners as specified in Section 7.1 and Section 7.3 of this Agreement. In no event shall any Person dealing with the Managing General Partner or any such officer or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expedience of any act or action of the Managing General Partner or any such officer or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the Managing General Partner or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (a) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect, (b) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership and (c) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

#### ARTICLE VIII BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 8.1 *Records and Accounting*. The Managing General Partner shall keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business, including all books and records necessary to provide to the Partners any information required to be provided pursuant to Section 3.4(a). Any books and

records maintained by or on behalf of the Partnership in the regular course of its business, including the record of the Record Holders of Units or other Partnership Interests, books of account and records of Partnership proceedings, may be kept on, or be in the form of, computer disks, hard drives, magnetic tape, photographs, micrographics or any other information storage device; provided, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership shall be maintained, for financial reporting purposes, on an accrual basis in accordance with U.S. GAAP.

Section 8.2 *Fiscal Year*. The fiscal year of the Partnership shall be a fiscal year ending December 31.

Section 8.3 *Reports*.

(a) As soon as practicable, but in no event later than 120 days after the close of each fiscal year of the Partnership, the Managing General Partner shall cause to be mailed or made available, by any reasonable means, to each Record Holder of a Unit as of a date selected by the Managing General Partner, an annual report containing financial statements of the Partnership for such fiscal year of the Partnership, presented in accordance with U.S. GAAP, including a balance sheet and statements of operations, Partnership equity and cash flows, such statements to be audited by a firm of independent public accountants selected by the Managing General Partner.

(b) As soon as practicable, but in no event later than 90 days after the close of each Quarter except the last Quarter of each fiscal year, the Managing General Partner shall cause to be mailed or made available, by any reasonable means, to each Record Holder of a Unit, as of a date selected by the Managing General Partner, a report containing unaudited financial statements of the Partnership and such other information as may be required by applicable law, regulation or rule of any National Securities Exchange on which the Units are listed or admitted to trading, or as the Managing General Partner determines to be necessary or appropriate.

(c) The Managing General Partner shall be deemed to have made a report available to each Record Holder as required by this Section 8.3 if it has either (i) filed such report with the Commission via its Electronic Data Gathering, Analysis and Retrieval system and such report is publicly available on such system or (ii) made such report available on any publicly available website maintained by the Partnership.

Section 8.4 *Access of Special General Partner to Partnership Information*. The Special General Partner shall have full and complete access, as promptly as practicable but in no event no later than two (2) days after a request for access has been made to the Managing General Partner, to any records relating to the Partnership's business in the possession or control of the Partnership or the Managing General Partner, and the Special General Partner shall be permitted to copy, and retain a copy of, any such records. The Managing General Partner shall cause its officers and independent accountants to be available to discuss the business and affairs of the Partnership with the officers, agents and employees of the Special General Partner or its Affiliates.

**ARTICLE IX  
TAX MATTERS**

Section 9.1 *Tax Returns and Information*. The Partnership shall timely file all returns of the Partnership that are required for federal, state and local income tax purposes on the basis of the accrual method and the taxable year or years that it is required by law to adopt, from time to time, as determined by the Managing General Partner. The tax information reasonably required by Record Holders for federal and state income tax reporting purposes with respect to a taxable year shall be furnished to them within 90 days of the close of the calendar year in which the Partnership's taxable year ends. The classification, realization and recognition of income, gain, losses and deductions and other items shall be on the accrual method of accounting for federal income tax purposes.

Section 9.2 *Tax Elections*.

(a) The Partnership shall make the election under Section 754 of the Code in accordance with applicable regulations thereunder, subject to the reservation of the right to seek to revoke any such election upon the Managing General Partner's determination that such revocation is in the best interests of the Partners. Notwithstanding any other provision herein contained, for the purposes of computing the adjustments under Section 743(b) of the Code, the Managing General Partner shall be authorized (but not required) to adopt a convention whereby the price paid by a transferee of a Partnership Interest will be deemed to be the lowest quoted closing price of the Partnership Interests on any National Securities Exchange on which such Partnership Interests are listed or admitted to trading during the calendar month in which such transfer is deemed to occur pursuant to Section 6.2(g) without regard to the actual price paid by such transferee.

(b) Except as otherwise provided herein, the Managing General Partner shall determine whether the Partnership should make any other elections permitted by the Code.

Section 9.3 *Tax Controversies*. Subject to the provisions hereof, the Managing General Partner is designated as the Tax Matters Partner (as defined in the Code) and is authorized and required to represent the Partnership (at the Partnership's expense) in connection with all examinations of the Partnership's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Partnership funds for professional services and costs associated therewith. Each Partner agrees to cooperate with the Managing General Partner and to do or refrain from doing any or all things reasonably required by the Managing General Partner to conduct such proceedings.

Section 9.4 *Withholding*. Notwithstanding any other provision of this Agreement, the Managing General Partner is authorized to take any action that may be required to cause the Partnership and other Group Members to comply with any withholding requirements established under the Code or any other federal, state or local law including pursuant to Sections 1441, 1442, 1445 and 1446 of the Code. To the extent that the Partnership is required or elects to withhold and pay over to any taxing authority any amount resulting from the allocation or distribution of income to any Partner (including by reason of Section 1446 of the Code), the Managing General

Partner may treat the amount withheld as a distribution of cash pursuant to Section 6.3 in the amount of such withholding from such Partner.

**ARTICLE X  
ADMISSION OF PARTNERS**

*Section 10.1 Admission of Limited Partners.*

(a) By acceptance of the transfer of any Limited Partner Interests in accordance with this Section 10.1 or the issuance of any Limited Partner Interests in accordance herewith, and except as provided in Section 4.9, each transferee or other recipient of a Limited Partner Interest (including any nominee holder or an agent or representative acquiring such Limited Partner Interests for the account of another Person) (i) shall be admitted to the Partnership as a Limited Partner with respect to the Limited Partner Interests so transferred or issued to such Person when any such transfer or issuance is reflected in the books and records of the Partnership, with or without execution of this Agreement, (ii) shall become bound by the terms of, and shall be deemed to have agreed to be bound by, this Agreement, (iii) shall become the Record Holder of the Limited Partner Interests so transferred or issued, (iv) represents that the transferee or other recipient has the capacity, power and authority to enter into this Agreement, (v) grants the powers of attorney set forth in this Agreement and (vi) makes the consents, acknowledgments and waivers contained in this Agreement. The transfer of any Limited Partner Interests and/or the admission of any new Limited Partner shall not constitute an amendment to this Agreement. A Person may become a Record Holder without the consent or approval of any of the Partners. A Person may not become a Limited Partner without acquiring a Limited Partner Interest. The rights and obligations of a Person who is a Ineligible Holder shall be determined in accordance with Section 4.9.

(b) The name and mailing address of each Limited Partner shall be listed on the books and records of the Partnership maintained for such purpose by the Managing General Partner or the Transfer Agent. The Managing General Partner shall update its books and records from time to time as necessary to reflect accurately the information therein (or shall cause the Transfer Agent to do so, as applicable). A Limited Partner Interest may be represented by a Certificate, as provided in Section 4.1.

(c) Any transfer of a Limited Partner Interest shall not entitle the transferee to share in the profits and losses, to receive distributions, to receive allocations of income, gain, loss, deduction or credit or any similar item or to any other rights to which the transferor was entitled until the transferee becomes a Limited Partner pursuant to Section 10.1(a).

*Section 10.2 Admission of Successor Managing General Partner.* A successor Managing General Partner approved pursuant to Section 11.1 or 11.2 or the transferee of or successor to all of the Managing General Partner Interest pursuant to Section 4.6 who is proposed to be admitted as a successor Managing General Partner shall be admitted to the Partnership as the Managing General Partner, effective immediately prior to the withdrawal or removal of the predecessor or transferring Managing General Partner, pursuant to Section 11.1 or 11.2 or the transfer of the Managing General Partner Interest pursuant to Section 4.6, provided, however, that no such successor shall be admitted to the Partnership until compliance with the

terms of Section 4.6 has occurred and such successor has executed and delivered such other documents or instruments as may be required to effect such admission. Any such successor shall, subject to the terms hereof, carry on the business of the members of the Partnership Group without dissolution.

Section 10.3 *Amendment of Agreement and Certificate of Limited Partnership*. To effect the admission to the Partnership of any Partner, the Managing General Partner shall take all steps necessary under the Delaware Act to amend the records of the Partnership to reflect such admission and, if necessary, to prepare as soon as practicable an amendment to this Agreement and, if required by law, the Managing General Partner shall prepare and file an amendment to the Certificate of Limited Partnership, and the Managing General Partner may for this purpose, among others, exercise the power of attorney granted pursuant to Section 2.6.

#### ARTICLE XI WITHDRAWAL OR REMOVAL OF PARTNERS

Section 11.1 *Withdrawal of the Managing General Partner*.

(a) The Managing General Partner shall be deemed to have withdrawn from the Partnership upon the occurrence of any one of the following events (each such event herein referred to as an “Event of Withdrawal”):

(i) The Managing General Partner voluntarily withdraws from the Partnership by giving written notice to the other Partners;

(ii) The Managing General Partner transfers all of its rights as Managing General Partner pursuant to Section 4.6;

(iii) The Managing General Partner is removed pursuant to Section 11.2;

(iv) The Managing General Partner (A) makes a general assignment for the benefit of creditors; (B) files a voluntary bankruptcy petition for relief under Chapter 7 of the United States Bankruptcy Code; (C) files a petition or answer seeking for itself a liquidation, dissolution or similar relief (but not a reorganization) under any law; (D) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Managing General Partner in a proceeding of the type described in clauses (A) through (C) of this Section 11.1(a)(iv); or (E) seeks, consents to or acquiesces in the appointment of a trustee (but not a debtor-in-possession), receiver or liquidator of the Managing General Partner or of all or any substantial part of its properties;

(v) A final and non-appealable order of relief under Chapter 7 of the United States Bankruptcy Code is entered by a court with appropriate jurisdiction pursuant to a voluntary or involuntary petition by or against the Managing General Partner; or

(vi) (A) in the event the Managing General Partner is a corporation, a certificate of dissolution or its equivalent is filed for the Managing General Partner, or 90 days expire after the date of notice to the Managing General Partner of revocation of its

charter without a reinstatement of its charter, under the laws of its state of incorporation; (B) in the event the Managing General Partner is a partnership or a limited liability company, the dissolution and commencement of winding up of the Managing General Partner; (C) in the event the Managing General Partner is acting in such capacity by virtue of being a trustee of a trust, the termination of the trust; (D) in the event the Managing General Partner is a natural person, his death or adjudication of incompetency; and (E) otherwise in the event of the termination of the Managing General Partner.

If an Event of Withdrawal specified in Section 11.1(a)(iv), (v) or (vi)(A), (B), (C) or (E) occurs, the withdrawing Managing General Partner shall give notice to the Partners within 30 days after such occurrence. The Partners hereby agree that only the Events of Withdrawal described in this Section 11.1 shall result in the withdrawal of the Managing General Partner from the Partnership.

(b) Withdrawal of the Managing General Partner from the Partnership upon the occurrence of an Event of Withdrawal shall not constitute a breach of this Agreement under the following circumstances: (i) at any time during the period beginning on the Effective Date and ending at 12:00 midnight, prevailing Central Time, on June 30, 2017, the Managing General Partner voluntarily withdraws by giving at least 90 days' advance notice of its intention to withdraw to the Partners; provided, that prior to the effective date of such withdrawal, the withdrawal is approved by Unitholders holding at least a majority of the Outstanding Units (excluding Units held by the Managing General Partner and its Affiliates) and the Managing General Partner delivers to the Partnership an Opinion of Counsel ("Withdrawal Opinion of Counsel") that such withdrawal (following the selection of the successor Managing General Partner) would not result in the loss of the limited liability of any Limited Partner or any Group Member under applicable partnership or limited liability company law of the state under whose laws the Partnership or Group Member, as applicable, is organized or cause any Group Member to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for federal income tax purposes (to the extent not previously so treated or taxed); (ii) at any time after 12:00 midnight, Central Time, on June 30, 2017, the Managing General Partner voluntarily withdraws by giving at least 90 days' advance notice to the Partners, such withdrawal to take effect on the date specified in such notice; (iii) at any time that the Managing General Partner ceases to be the Managing General Partner pursuant to Section 11.1(a)(ii) or is removed pursuant to Section 11.2; or (iv) notwithstanding clause (i) of this sentence, at any time that the Managing General Partner voluntarily withdraws by giving at least 90 days' advance notice of its intention to withdraw to the other Partners, such withdrawal to take effect on the date specified in the notice, if at the time such notice is given one Person and its Affiliates (other than the Managing General Partner and its Affiliates) own beneficially or of record or control at least 50% of the Outstanding Units. The withdrawal of the Managing General Partner from the Partnership upon the occurrence of an Event of Withdrawal shall also constitute the withdrawal of the Managing General Partner as general partner or managing member, if any, to the extent applicable, of the other Group Members. If the Managing General Partner withdraws other than pursuant to Section 11.1(a)(ii), the holders of a Unit Majority, may, prior to the effective date of such withdrawal, elect a successor Managing General Partner. The Person so elected as successor Managing General Partner shall automatically become the successor general partner or managing member, to the extent applicable, of the other Group Members of which the Managing General Partner is a general partner or a managing member. If, prior to the effective date of the Managing

General Partner's withdrawal, a successor is not selected by the Unitholders as provided herein or the Partnership does not receive a Withdrawal Opinion of Counsel, the Partnership shall be dissolved in accordance with Section 12.1, unless the business of the Partnership is continued pursuant to Section 12.2. Any successor Managing General Partner elected in accordance with the terms of this Section 11.1 shall be subject to the provisions of Section 10.2.

*Section 11.2 Removal of the Managing General Partner.* The Managing General Partner may be removed if such removal is approved by the Unitholders holding at least 80% of the Outstanding Units (including Units held by the Managing General Partner and its Affiliates) voting as a single class. Notwithstanding the foregoing, prior to the fifth anniversary of the Closing Date, the General Partner may be removed only for Cause. Any such action by such holders for removal of the Managing General Partner must also provide for the election of a successor Managing General Partner by the Unitholders holding a majority of each class of outstanding Units, voting as separate classes. Such removal shall be effective immediately following the admission of a successor Managing General Partner pursuant to Section 10.2. The removal of the Managing General Partner shall also automatically constitute the removal of the Managing General Partner as general partner or managing member, to the extent applicable, of the other Group Members of which the Managing General Partner is a general partner or a managing member. If a Person is elected as a successor Managing General Partner in accordance with the terms of this Section 11.2, such Person shall, upon admission pursuant to Section 10.2, automatically become a successor general partner or managing member, to the extent applicable, of the other Group Members of which the Managing General Partner is a general partner or a managing member. The right of the holders of Outstanding Units to remove the Managing General Partner shall not exist or be exercised unless the Partnership has received an opinion opining as to the matters covered by a Withdrawal Opinion of Counsel. Any successor Managing General Partner elected in accordance with the terms of this Section 11.2 shall be subject to the provisions of Section 10.2.

*Section 11.3 Interest of Departing General Partner and Successor Managing General Partner.*

(a) In the event of (i) withdrawal of the Managing General Partner under circumstances where such withdrawal does not violate this Agreement or (ii) removal of the Managing General Partner by the holders of Outstanding Units under circumstances where Cause does not exist, if the successor Managing General Partner is elected in accordance with the terms of Section 11.1 or 11.2, the Departing General Partner shall have the option, exercisable prior to the effective date of the departure of such Departing General Partner, to require its successor to purchase its Managing General Partner Interest (including the Incentive Distribution Rights) and its general partner interest (or equivalent interest), if any, in the other Group Members (collectively, the "Combined Interest") in exchange for an amount in cash equal to the fair market value of such Combined Interest, such amount to be determined and payable as of the effective date of its departure. If the Managing General Partner is removed by the Unitholders under circumstances where Cause exists or if the Managing General Partner withdraws under circumstances where such withdrawal violates this Agreement, and if a successor Managing General Partner is elected in accordance with the terms of Section 11.1 or 11.2 (or if the business of the Partnership is continued pursuant to Section 12.2 and the successor Managing General Partner is not the former Managing General Partner), such successor shall have the option,



exercisable prior to the effective date of the departure of such Departing General Partner (or, in the event the business of the Partnership is continued, prior to the date the business of the Partnership is continued), to purchase the Combined Interest for such fair market value of such Combined Interest of the Departing General Partner. In either event, the Departing General Partner shall be entitled to receive all reimbursements due such Departing General Partner pursuant to Section 7.4, including any employee related liabilities (including severance liabilities), incurred in connection with the termination of any employees employed by the Departing General Partner or its Affiliates (other than any Group Member) for the benefit of the Partnership or the other Group Members.

For purposes of this Section 11.3(a), the fair market value of the Departing General Partner's Combined Interest shall be determined by agreement between the Departing General Partner and its successor or, failing agreement within 30 days after the effective date of such Departing General Partner's departure, by an independent investment banking firm or other independent expert selected by the Departing General Partner and its successor, which, in turn, may rely on other experts, and the determination of which shall be conclusive as to such matter. If such parties cannot agree upon one independent investment banking firm or other independent expert within 45 days after the effective date of such departure, then the Departing General Partner shall designate an independent investment banking firm or other independent expert, the Departing General Partner's successor shall designate an independent investment banking firm or other independent expert, and such firms or experts shall mutually select a third independent investment banking firm or other independent expert, which third independent investment banking firm or other independent expert shall determine the fair market value of the Combined Interest of the Departing General Partner. In making its determination, such third independent investment banking firm or other independent expert may consider the then current trading price of Units on any National Securities Exchange on which Units are then listed or admitted to trading, the value of the Partnership's assets, the rights and obligations of the Departing General Partner and other factors it may deem relevant.

(b) If the Combined Interest is not purchased in the manner set forth in Section 11.3(a), the Departing General Partner (or its transferee) shall become a Limited Partner and its Combined Interest shall be converted into Special LP Units, if such conversion occurs prior to the IO Closing Date, or Common Units, thereafter, in each case pursuant to a valuation made by an investment banking firm or other independent expert selected pursuant to Section 11.3(a), without reduction in such Partnership Interest (but subject to proportionate dilution by reason of the admission of its successor). Any successor Managing General Partner shall indemnify the Departing General Partner (or its transferee) as to all debts and liabilities of the Partnership arising on or after the date on which the Departing General Partner (or its transferee) becomes a Limited Partner. For purposes of this Agreement, conversion of the Combined Interest of the Departing General Partner to Special LP Units or Common Units, as the case may be, will be characterized as if the Departing General Partner (or its transferee) contributed its Combined Interest to the Partnership in exchange for the newly issued Units.

Section 11.4 *Termination of Subordination Period, Conversion of Subordinated Units and Extinguishment of Cumulative Common Unit Arrearages*. Notwithstanding any provision of this Agreement to the contrary, if the Managing General Partner is removed as managing general partner of the Partnership under circumstances where Cause does not exist:

(a) with respect to Subordinated Units held by any Person, provided (i) neither such Person nor any of its Affiliates voted any of its Units in favor of the removal and (ii) such Person is not an Affiliate of the successor General Partner, such Subordinated Units, will immediately and automatically convert into Common Units on a one-for-one basis; and

(b) if all of the Subordinated Units, convert pursuant to Section 11.4(a), all Cumulative Common Unit Arrearages on the Common Units will be extinguished and the Subordination Period will end.

Section 11.5 *Withdrawal of Limited Partners or Special General Partner*. No Limited Partner or Special General Partner shall have any right to withdraw from the Partnership; provided, however, that when a transferee of a Limited Partner's or Special General Partner's Partnership Interest becomes a Record Holder of the Partnership Interest so transferred (including Limited Partner interests that have converted from Special General Partner Interests pursuant to the provisions of Section 5.5), such transferring Limited Partner or Special General Partner, as applicable, shall cease to be a Partner with respect to the Partnership Interest so transferred.

## ARTICLE XII DISSOLUTION AND LIQUIDATION

Section 12.1 *Dissolution*. The Partnership shall not be dissolved by the admission of additional Partners or by the admission of a successor Managing General Partner in accordance with the terms of this Agreement. Upon the removal or withdrawal of the Managing General Partner, if a successor Managing General Partner is elected pursuant to Section 11.1 or 11.2, the Partnership shall not be dissolved and such successor Managing General Partner shall continue the business of the Partnership. The Partnership shall dissolve, and (subject to Section 12.2) its affairs shall be wound up, upon:

(a) an Event of Withdrawal of the Managing General Partner as provided in Section 11.1(a) (other than Section 11.1(a)(ii)), unless a successor is elected and an Opinion of Counsel is received as provided in Section 11.1(b) or 11.2 and such successor is admitted to the Partnership pursuant to Section 10.2;

(b) an election to dissolve the Partnership by the Managing General Partner that is approved by the holders of a Unit Majority;

(c) the entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Delaware Act; or

(d) at any time there are no Limited Partners, unless the Partnership is continued without dissolution in accordance with the Delaware Act.

Section 12.2 *Continuation of the Business of the Partnership After Dissolution*. Upon (a) dissolution of the Partnership following an Event of Withdrawal caused by the withdrawal or removal of the Managing General Partner as provided in Section 11.1(a)(i) or (iii) and the failure of the Partners to select a successor to such Departing General Partner pursuant to Section 11.1 or 11.2, then within 90 days thereafter, or (b) dissolution of the Partnership upon an event

constituting an Event of Withdrawal as defined in Section 11.1(a)(iv), (v) or (vi), then, to the maximum extent permitted by law, within 180 days thereafter, the holders of a Unit Majority may elect to continue the business of the Partnership on the same terms and conditions set forth in this Agreement by appointing as the successor Managing General Partner a Person approved by the holders of a Unit Majority. Unless such an election is made within the applicable time period as set forth above, the Partnership shall conduct only activities necessary to wind up its affairs. If such an election is so made, then:

(i) the Partnership shall continue without dissolution unless earlier dissolved in accordance with this Article XII;

(ii) if the successor Managing General Partner is not the former Managing General Partner, then the interest of the former Managing General Partner shall be treated in the manner provided in Section 11.3; and

(iii) all necessary steps shall be taken to cancel this Agreement and the Certificate of Limited Partnership and to enter into and, as necessary, to file a new partnership agreement and certificate of limited partnership, and the successor Managing General Partner may for this purpose exercise the powers of attorney granted the Managing General Partner pursuant to Section 2.6; provided, that the right of the holders of a Unit Majority to approve a successor Managing General Partner and to continue the business of the Partnership shall not exist and may not be exercised unless the Partnership has received an Opinion of Counsel that (x) the exercise of the right would not result in the loss of limited liability of any Limited Partner under the Delaware Act and (y) neither the Partnership nor any successor limited partnership would be treated as an association taxable as a corporation or otherwise be taxable as an entity for federal income tax purposes upon the exercise of such right to continue (to the extent not previously so treated or taxed).

Section 12.3 *Liquidator*. Upon dissolution of the Partnership, unless the business of the Partnership is continued pursuant to Section 12.2, the Managing General Partner shall select one or more Persons to act as Liquidator. The Liquidator (if other than the Managing General Partner) shall be entitled to receive such compensation for its services as may be approved by holders of at least a majority of the Outstanding Common Units and Subordinated Units voting as a single class. The Liquidator (if other than the Managing General Partner) shall agree not to resign at any time without 15 days' prior notice and may be removed at any time, with or without cause, by notice of removal approved by holders of at least a majority of the Outstanding Common Units and Subordinated Units, voting as a single class. Upon dissolution, removal or resignation of the Liquidator, a successor and substitute Liquidator (who shall have and succeed to all rights, powers and duties of the original Liquidator) shall within 30 days thereafter be approved by holders of at least a majority of the Outstanding Common Units and Subordinated Units voting as a single class. The right to approve a successor or substitute Liquidator in the manner provided herein shall be deemed to refer also to any such successor or substitute Liquidator approved in the manner herein provided. Except as expressly provided in this Article XII, the Liquidator approved in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all of the powers conferred upon the Managing General Partner under the terms of this Agreement (but subject to all of the applicable

limitations, contractual and otherwise, upon the exercise of such powers, other than the limitation on sale set forth in Section 7.3(a)) necessary or appropriate to carry out the duties and functions of the Liquidator hereunder for and during the period of time required to complete the winding up and liquidation of the Partnership as provided for herein.

Section 12.4 *Liquidation*. The Liquidator shall proceed to dispose of the assets of the Partnership, discharge its liabilities, and otherwise wind up its affairs in such manner and over such period as determined by the Liquidator, subject to Section 17-804 of the Delaware Act and the following:

(a) The assets may be disposed of by public or private sale or by distribution in kind to one or more Partners on such terms as the Liquidator and such Partner or Partners may agree. If any property is distributed in kind, the Partner receiving the property shall be deemed for purposes of Section 12.4(c) to have received cash equal to its fair market value; and contemporaneously therewith, appropriate cash distributions must be made to the other Partners. The Liquidator may defer liquidation or distribution of the Partnership's assets for a reasonable time if it determines that an immediate sale or distribution of all or some of the Partnership's assets would be impractical or would cause undue loss to the Partners. The Liquidator may distribute the Partnership's assets, in whole or in part, in kind if it determines that a sale would be impractical or would cause undue loss to the Partners.

(b) Liabilities of the Partnership include amounts owed to the Liquidator as compensation for serving in such capacity (subject to the terms of Section 12.3) and amounts to Partners otherwise than in respect of their distribution rights under Article VI. With respect to any liability that is contingent, conditional or unmatured or is otherwise not yet due and payable, the Liquidator shall either settle such claim for such amount as it thinks appropriate or establish a reserve of cash or other assets to provide for its payment. When paid, any unused portion of the reserve shall be distributed as additional liquidation proceeds.

(c) All property and all cash in excess of that required to discharge liabilities as provided in Section 12.4(b) shall be distributed to the Partners in accordance with, and to the extent of, the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments (other than those made by reason of distributions pursuant to this Section 12.4(c)) for the taxable year of the Partnership during which the liquidation of the Partnership occurs (with such date of occurrence being determined pursuant to Treasury Regulation Section 1.704-1(b)(2)(i)(g)), and such distribution shall be made by the end of such taxable year (or, if later, within 90 days after said date of such occurrence).

Section 12.5 *Cancellation of Certificate of Limited Partnership*. Upon the completion of the distribution of Partnership cash and property as provided in Section 12.4 in connection with the liquidation of the Partnership, the Partnership shall be terminated and the Certificate of Limited Partnership and all qualifications of the Partnership as a foreign limited partnership in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Partnership shall be taken.

Section 12.6 *Return of Contributions*. No General Partner shall be personally liable for, or shall have any obligation to contribute or loan any monies or property to the Partnership to

enable it to effectuate, the return of the Capital Contributions of the Partners or Unitholders, or any portion thereof, it being expressly understood that any such return shall be made solely from Partnership assets.

Section 12.7 *Waiver of Partition*. To the maximum extent permitted by law, each Partner hereby waives any right to partition of the Partnership property.

Section 12.8 *Capital Account Restoration*. No Limited Partner or Special General Partner shall have any obligation to restore any negative balance in its Capital Account upon liquidation of the Partnership. The Managing General Partner shall be obligated to restore any negative balance in its Capital Account upon liquidation of its interest in the Partnership by the end of the taxable year of the Partnership during which such liquidation occurs, or, if later, within 90 days after the date of such liquidation.

**ARTICLE XIII  
AMENDMENT OF PARTNERSHIP AGREEMENT; MEETINGS; RECORD DATE**

Section 13.1 *Amendments to be Adopted Solely by the Managing General Partner*. Each Partner agrees that the Managing General Partner, without the approval of any other Partner, may amend any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect:

- (a) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership;
- (b) admission, substitution, withdrawal or removal of Partners in accordance with this Agreement;

(c) a change that the Managing General Partner determines to be necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership or a partnership in which the Limited Partners have limited liability under the laws of any state or to ensure that the Group Members will not be treated as associations taxable as corporations or otherwise taxed as entities for federal income tax purposes;

(d) a change that the Managing General Partner determines (i) does not adversely affect the Partners (including any particular class of Partnership Interests as compared to other classes of Partnership Interests) in any material respect, (ii) to be necessary or appropriate to (A) satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal or state agency or judicial authority or contained in any federal or state statute (including the Delaware Act) or (B) facilitate the trading of the Units (including the division of any class or classes of Outstanding Units into different classes to facilitate uniformity of tax consequences within such classes of Units) or comply with any rule, regulation, guideline or requirement of any National Securities Exchange on which any class of Partnership Interests are or will be listed or admitted to trading, (iii) to be necessary or appropriate in connection with action taken by the Managing General Partner pursuant to Section 5.8 or (iv) is required to effect the intent expressed in the Registration Statement or the intent of the provisions of this Agreement or is otherwise contemplated by this Agreement;

(e) a change in the fiscal year or taxable year of the Partnership and any other changes that the Managing General Partner determines to be necessary or appropriate as a result of a change in the fiscal year or taxable year of the Partnership including, if the Managing General Partner shall so determine, a change in the definition of "Quarter" and the dates on which distributions are to be made by the Partnership;

(f) an amendment that is necessary, in the Opinion of Counsel, to prevent the Partnership, or the General Partners or CVR Energy, Inc. (for so long as CVR Energy, Inc. continues to own the Special General Partner) or their directors, officers, trustees or agents from in any manner being subjected to the provisions of the Investment Company Act of 1940, as amended, the Investment Advisers Act of 1940, as amended, or "plan asset" regulations adopted under the Employee Retirement Income Security Act of 1974, as amended, regardless of whether such are substantially similar to plan asset regulations currently applied or proposed by the United States Department of Labor;

(g) an amendment that the Managing General Partner determines to be necessary or appropriate in connection with the creation, authorization or issuance of any class or series of Partnership Interests pursuant to Section 5.4;

(h) any amendment expressly permitted in this Agreement to be made by the Managing General Partner acting alone;

(i) an amendment effected, necessitated or contemplated by a Merger Agreement approved in accordance with Section 14.3;

(j) an amendment that the Managing General Partner determines to be necessary or appropriate to reflect and account for the formation by the Partnership of, or investment by the Partnership in, any corporation, partnership, joint venture, limited liability company or other entity, in connection with the conduct by the Partnership of activities permitted by the terms of Section 2.4;

(k) a merger or conveyance pursuant to Section 14.3(d); or

(l) any other amendments substantially similar to the foregoing.

Section 13.2 *Amendment Procedures*. Except as provided in Sections 13.1 and 13.3, all amendments to this Agreement shall be made in accordance with the following requirements. Amendments to this Agreement may be proposed only by the Managing General Partner; provided, however that the Managing General Partner shall have no duty or obligation to propose any amendment to this Agreement and may decline to do so free of any fiduciary duty or obligation whatsoever to the Partnership or any Partner and, in declining to propose an amendment, to the fullest extent permitted by law shall not be required to act in good faith or pursuant to any other standard imposed by this Agreement, any Group Member Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation or at equity. A proposed amendment shall be effective upon its approval by the Managing General Partner and the holders of a Unit Majority, unless a greater or different percentage is required under this Agreement or by Delaware law. Each proposed amendment that requires the approval of the holders of a specified percentage of Outstanding Units shall be set

forth in a writing that contains the text of the proposed amendment. If such an amendment is proposed, the Managing General Partner shall seek the written approval of the requisite percentage of Outstanding Units or call a meeting of the Unitholders to consider and vote on such proposed amendment. The Managing General Partner shall notify all Record Holders upon final adoption of any such proposed amendments.

*Section 13.3 Amendment Requirements.*

(a) Notwithstanding the provisions of Sections 13.1 and 13.2, no provision of this Agreement that establishes a percentage of Outstanding Units (including Units deemed owned by the Managing General Partner) required to take any action shall be amended, altered, changed, repealed or rescinded in any respect that would have the effect of reducing such voting percentage unless such amendment is approved by the written consent or the affirmative vote of holders of Outstanding Units whose aggregate Outstanding Units constitute not less than the voting requirement sought to be reduced.

(b) Notwithstanding the provisions of Sections 13.1 and 13.2, no amendment to this Agreement may (i) enlarge the obligations of any Partner without its consent, unless such shall be deemed to have occurred as a result of an amendment approved pursuant to Section 13.3(c), (ii) enlarge the obligations of, restrict, change or modify in any way any action by or rights of, or reduce in any way the amounts distributable, reimbursable or otherwise payable to, a General Partner or any of its Affiliates without its consent, which consent may be given or withheld in its sole discretion, (iii) change Section 12.1(b), or (iv) change the term of the Partnership or, except as set forth in Section 12.1(b), give any Person the right to dissolve the Partnership.

(c) Except as provided in Section 14.3, and without limitation of the Managing General Partner's authority to adopt amendments to this Agreement without the approval of any Partners as contemplated in Section 13.1, any amendment that would have a material adverse effect on the rights or preferences of any class of Partnership Interests in relation to other classes of Partnership Interests must be approved by the holders of not less than a majority of the Outstanding Partnership Interests of the class affected.

(d) Notwithstanding any other provision of this Agreement, except for amendments pursuant to Section 13.1 and except as otherwise provided by Section 14.3(b), no amendments shall become effective without the approval of the holders of at least 90% of the Outstanding Units voting as a single class unless the Partnership obtains an Opinion of Counsel to the effect that such amendment will not affect the limited liability of any Limited Partner under applicable partnership law of the state under whose laws the Partnership is organized.

(e) Except as provided in Section 13.1, this Section 13.3 shall only be amended with the approval of the holders of at least 90% of the Outstanding Units.

*Section 13.4 Special Meetings.* All acts of Partners to be taken pursuant to this Agreement shall be taken in the manner provided in this Article XIII. Special meetings of the Partners may be called by any General Partner or by Limited Partners owning 20% or more of the Outstanding Units of the class or classes for which a meeting is proposed. Limited Partners and the Special General Partner shall call a special meeting by delivering to the Managing

General Partner one or more requests in writing stating that the signing Partners wish to call a special meeting and indicating the general or specific purposes for which the special meeting is to be called. Within 60 days after receipt of such a call from Partners or within such greater time as may be reasonably necessary for the Partnership to comply with any statutes, rules, regulations, listing agreements or similar requirements governing the holding of a meeting or the solicitation of proxies for use at such a meeting, the Managing General Partner shall send a notice of the meeting to the Partners either directly or indirectly through the Transfer Agent. A meeting shall be held at a time and place determined by the Managing General Partner on a date not less than 10 days nor more than 60 days after the mailing of notice of the meeting. Limited Partners shall not vote on matters that would cause the Limited Partners to be deemed to be taking part in the management and control of the business and affairs of the Partnership so as to jeopardize the Limited Partners' limited liability under the Delaware Act or the law of any other state in which the Partnership is qualified to do business.

Section 13.5 *Notice of a Meeting.* Notice of a meeting called pursuant to Section 13.4 shall be given to the Record Holders of the class or classes of Units for which a meeting is proposed in writing by mail or other means of written communication in accordance with Section 16.1. The notice shall be deemed to have been given at the time when deposited in the mail or sent by other means of written communication.

Section 13.6 *Record Date.* For purposes of determining the Partners entitled to notice of or to vote at a meeting of the Partners or to give approvals without a meeting as provided in Section 13.11 the Managing General Partner may set a Record Date, which shall not be less than 10 nor more than 60 days before (a) the date of the meeting (unless such requirement conflicts with any rule, regulation, guideline or requirement of any National Securities Exchange on which the Partnership Interests are listed or admitted to trading or U.S. federal securities laws, in which case the rule, regulation, guideline or requirement of such National Securities Exchange or U.S. federal securities law shall govern) or (b) in the event that approvals are sought without a meeting, the date by which Partners are requested in writing by the Managing General Partner to give such approvals. If the Managing General Partner does not set a Record Date, then (a) the Record Date for determining the Partners entitled to notice of or to vote at a meeting of the Partners shall be the close of business on the day next preceding the day on which notice is given, and (b) the Record Date for determining the Partners entitled to give approvals without a meeting shall be the date the first written approval is deposited with the Partnership in care of the Managing General Partner in accordance with Section 13.11.

Section 13.7 *Adjournment.* When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting and a new Record Date need not be fixed, if the time and place thereof are announced at the meeting at which the adjournment is taken, unless such adjournment shall be for more than 45 days. At the adjourned meeting, the Partnership may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 45 days or if a new Record Date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given in accordance with this Article XIII.

Section 13.8 *Waiver of Notice; Approval of Meeting; Approval of Minutes.* The transactions of any meeting of Partners, however called and noticed, and whenever held, shall be as valid as if it had occurred at a meeting duly held after regular call and notice, if a quorum is



present either in person or by proxy. Attendance of a Partner at a meeting shall constitute a waiver of notice of the meeting, except (i) when the Partner attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and (ii) that attendance at a meeting is not a waiver of any right to disapprove the consideration of matters required to be included in the notice of the meeting, but not so included, if the disapproval is expressly made at the meeting.

Section 13.9 *Quorum and Voting*. The holders of a majority of the Outstanding Units of the class or classes for which a meeting has been called (including Outstanding Units deemed owned by any General Partner) represented in person or by proxy shall constitute a quorum at a meeting of Partners of such class or classes unless any such action by the Partners requires approval by holders of a greater percentage of such Units, in which case the quorum shall be such greater percentage. At any meeting of the Partners duly called and held in accordance with this Agreement at which a quorum is present, the act of Partners holding Outstanding Units that in the aggregate represent a majority of the Outstanding Units entitled to vote and be present in person or by proxy at such meeting shall be deemed to constitute the act of all Partners, unless a greater or different percentage is required with respect to such action under the provisions of this Agreement, in which case the act of the Partners holding Outstanding Units that in the aggregate represent at least such greater or different percentage shall be required. The Partners present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Partners to leave less than a quorum, if any action taken (other than adjournment) is approved by the required percentage of Outstanding Units specified in this Agreement (including Outstanding Units deemed owned by any General Partner). In the absence of a quorum any meeting of Partners may be adjourned from time to time by the affirmative vote of holders of at least a majority of the Outstanding Units entitled to vote at such meeting (including Outstanding Units deemed owned by any General Partner) represented either in person or by proxy, but no other business may be transacted, except as provided in Section 13.7.

Section 13.10 *Conduct of a Meeting*. The Managing General Partner shall have full power and authority concerning the manner of conducting any meeting of the Partners or solicitation of approvals in writing, including the determination of Persons entitled to vote, the existence of a quorum, the satisfaction of the requirements of Section 13.4, the conduct of voting, the validity and effect of any proxies and the determination of any controversies, votes or challenges arising in connection with or during the meeting or voting. The Managing General Partner shall designate a Person to serve as chairman of any meeting and shall further designate a Person to take the minutes of any meeting. All minutes shall be kept with the records of the Partnership maintained by the Managing General Partner. The Managing General Partner may make such other regulations consistent with applicable law and this Agreement as it may deem advisable concerning the conduct of any meeting of the Partners or solicitation of approvals in writing, including regulations in regard to the appointment of proxies, the appointment and duties of inspectors of votes and approvals, the submission and examination of proxies and other evidence of the right to vote, and the revocation of approvals in writing.

Section 13.11 *Action Without a Meeting*. If authorized by the Managing General Partner, any action that may be taken at a meeting of the Partners may be taken without a meeting, without a vote and without prior notice, if an approval in writing setting forth the action

so taken is signed by Partners owning not less than the minimum percentage of the Outstanding Units (including Units deemed owned by any General Partner) that would be necessary to authorize or take such action at a meeting at which all the Partners were present and voted (unless such provision conflicts with any rule, regulation, guideline or requirement of any National Securities Exchange on which Partnership Interests are listed or admitted to trading, in which case the rule, regulation, guideline or requirement of such National Securities Exchange shall govern). Prompt notice of the taking of action without a meeting shall be given to the Partners who have not approved in writing. The Managing General Partner may specify that any written ballot submitted to Partners for the purpose of taking any action without a meeting shall be returned to the Partnership within the time period, which shall be not less than 20 days, specified by the Managing General Partner. If a ballot returned to the Partnership does not vote all of the Units held by the Partners, the Partnership shall be deemed to have failed to receive a ballot for the Units that were not voted. If approval of the taking of any action by the Partners is solicited by any Person other than by or on behalf of the Managing General Partner, the written approvals shall have no force and effect unless and until (a) they are deposited with the Partnership in care of the Managing General Partner, (b) approvals sufficient to take the action proposed are dated as of a date not more than 90 days prior to the date sufficient approvals are deposited with the Partnership and (c) an Opinion of Counsel is delivered to the Managing General Partner to the effect that the exercise of such right and the action proposed to be taken with respect to any particular matter (i) will not cause the Limited Partners to be deemed to be taking part in the management and control of the business and affairs of the Partnership so as to jeopardize the Limited Partners' limited liability, and (ii) is otherwise permissible under the state statutes then governing the rights, duties and liabilities of the Partnership and the Partners. Nothing contained in this Section 13.11 shall be deemed to require the Managing General Partner to solicit all holders of Units in connection with a matter approved by the requisite percentage of Units or other holders of Outstanding Units acting by written consent without a meeting

*Section 13.12 Right to Vote and Related Matters.*

(a) Only those Record Holders of the Units on the Record Date set pursuant to Section 13.6 (and also subject to the limitations contained in the definition of "Outstanding") shall be entitled to notice of, and to vote at, a meeting of Partners or to act with respect to matters as to which the holders of the Outstanding Units have the right to vote or to act. All references in this Agreement to votes of, or other acts that may be taken by, the Outstanding Units shall be deemed to be references to the votes or acts of the Record Holders of such Outstanding Units.

(b) With respect to Units that are held for a Person's account by another Person (such as a broker, dealer, bank, trust company or clearing corporation, or an agent of any of the foregoing), in whose name such Units are registered, such other Person shall, in exercising the voting rights in respect of such Units on any matter, and unless the arrangement between such Persons provides otherwise, vote such Units in favor of, and at the direction of, the Person who is the beneficial owner, and the Partnership shall be entitled to assume it is so acting without further inquiry. The provisions of this Section 13.12(b) (as well as all other provisions of this Agreement) are subject to the provisions of Section 4.3.

**ARTICLE XIV  
MERGER**

Section 14.1 *Authority*. The Partnership may merge or consolidate with or into one or more corporations, limited liability companies, business trusts or associations, real estate investment trusts, common law trusts or unincorporated businesses, including a general partnership or limited partnership, formed under the laws of the State of Delaware or any other state of the United States of America, pursuant to a written agreement of merger or consolidation ("Merger Agreement") in accordance with this Article XIV.

Section 14.2 *Procedure for Merger or Consolidation*. Merger or consolidation of the Partnership pursuant to this Article XIV requires the prior consent of the Managing General Partner, provided, however, that, to the fullest extent permitted by law, the Managing General Partner shall have no duty or obligation to consent to any merger or consolidation of the Partnership and may decline to do so free of any fiduciary duty or obligation whatsoever to the Partnership or any Partner and, in declining to consent to a merger or consolidation, shall not be required to act in good faith or pursuant to any other standard imposed by this Agreement, any Group Member Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation or at equity. If the Managing General Partner shall determine to consent to the merger or consolidation, the Managing General Partner shall approve the Merger Agreement, which shall set forth:

- (a) the names and jurisdictions of formation or organization of each of the business entities proposing to merge or consolidate;
- (b) the name and jurisdiction of formation or organization of the business entity that is to survive the proposed merger or consolidation (the "Surviving Business Entity");
- (c) the terms and conditions of the proposed merger or consolidation;
- (d) the manner and basis of exchanging or converting the equity interests of each constituent business entity for, or into, cash, property or general or limited partner interests, rights, securities or obligations of the Surviving Business Entity; and (i) if any general or limited partner interests, securities or rights of any constituent business entity are not to be exchanged or converted solely for, or into, cash, property or general or limited partner interests, rights, securities or obligations of the Surviving Business Entity, the cash, property or general or limited partner interests, rights, securities or obligations of any limited partnership, corporation, trust or other entity (other than the Surviving Business Entity) which the holders of such general or limited partner interests, securities or rights are to receive in exchange for, or upon conversion of their general or limited partner interests, securities or rights, and (ii) in the case of equity interests represented by certificates, upon the surrender of such certificates, which cash, property or general or limited partner interests, rights, securities or obligations of the Surviving Business Entity or any general or limited partnership, corporation, trust or other entity (other than the Surviving Business Entity), or evidences thereof, are to be delivered;
- (e) a statement of any changes in the constituent documents or the adoption of new constituent documents (the articles or certificate of incorporation, articles of trust, declaration of

trust, certificate or agreement of limited partnership or other similar charter or governing document) of the Surviving Business Entity to be effected by such merger or consolidation;

(f) the effective time of the merger, which may be the date of the filing of the certificate of merger pursuant to Section 14.4 or a later date specified in or determinable in accordance with the Merger Agreement (provided, that if the effective time of the merger is to be later than the date of the filing of the certificate of merger, the effective time shall be fixed no later than the time of the filing of the certificate of merger and stated therein); and

(g) such other provisions with respect to the proposed merger or consolidation that the Managing General Partner determines to be necessary or appropriate.

*Section 14.3 Approval by Partners of Merger or Consolidation.*

(a) Except as provided in Section 14.3(d) or 14.3(e), the Managing General Partner, upon its approval of the Merger Agreement, shall direct that the Merger Agreement be submitted to a vote of Partners, whether at a special meeting or by written consent, in either case in accordance with the requirements of Article XIII. A copy or a summary of the Merger Agreement shall be included in or enclosed with the notice of a special meeting or the written consent.

(b) Except as provided in Section 14.3(d) or 14.3(e) and subject to any applicable management rights of the Special General Partner expressly provided in Section 7.3, the Merger Agreement shall be approved upon receiving the affirmative vote or consent of the holders of a Unit Majority unless the Merger Agreement contains any provision that, if contained in an amendment to this Agreement, the provisions of this Agreement or the Delaware Act would require for its approval the vote or consent of a greater percentage of the Outstanding Units or of any class of Partners, in which case such greater percentage vote or consent shall be required for approval of the Merger Agreement.

(c) Except as provided in Section 14.3(d) and 14.3(e), after such approval by vote or consent of the Partners, and at any time prior to the filing of the certificate of merger pursuant to Section 14.4, the merger or consolidation may be abandoned pursuant to provisions therefor, if any, set forth in the Merger Agreement.

(d) Notwithstanding anything else contained in this Article XIV or in this Agreement, the Managing General Partner is permitted, without Partner approval, to convert the Partnership or any Group Member into a new limited liability entity, to merge the Partnership or any Group Member into, or convey all of the Partnership's assets to, another limited liability entity that shall be newly formed and shall have no assets, liabilities or operations at the time of such conversion, merger or conveyance other than those it receives from the Partnership or other Group Member if (i) the Managing General Partner has received an Opinion of Counsel that the conversion, merger or conveyance, as the case may be, would not result in the loss of the limited liability of any Limited Partner or any Group Member or cause the Partnership or any Group Member to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for federal income tax purposes (to the extent not previously treated as such), (ii) the sole purpose of such conversion, merger or conveyance is to effect a mere change in the legal form of the Partnership

into another limited liability entity and (iii) the governing instruments of the new entity provide the Partners with the same rights and obligations as are herein contained.

(e) Additionally, notwithstanding anything else contained in this Article XIV or in this Agreement, the Managing General Partner is permitted, without Partner approval, to merge or consolidate the Partnership with or into another entity if (A) the Managing General Partner has received an Opinion of Counsel that the merger or consolidation, as the case may be, would not result in the loss of the limited liability of any Limited Partner or cause the Partnership to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for federal income tax purposes (to the extent not previously treated as such), (B) the merger or consolidation would not result in an amendment to the Partnership Agreement, other than any amendments that could be adopted pursuant to Section 13.1, (C) the Partnership is the Surviving Business Entity in such merger or consolidation, (D) each Unit outstanding immediately prior to the effective date of the merger or consolidation is to be an identical Unit of the Partnership after the effective date of the merger or consolidation, and (E) the number of Partnership Interests to be issued by the Partnership in such merger or consolidation does not exceed 20% of the Partnership Interests Outstanding immediately prior to the effective date of such merger or consolidation.

Section 14.4 *Certificate of Merger*. Upon the required approval by the Managing General Partner and the Unitholders of a Merger Agreement, a certificate of merger shall be executed and filed with the Secretary of State of the State of Delaware in conformity with the requirements of the Delaware Act.

Section 14.5 *Amendment of Partnership Agreement*. Pursuant to Section 17-211(g) of the Delaware Act, an agreement of merger or consolidation approved in accordance with this Article XIV may (a) effect any amendment to this Agreement or (b) effect the adoption of a new partnership agreement for the Partnership if it is the Surviving Business Entity. Any such amendment or adoption made pursuant to this Section 14.5 shall be effective at the effective time or date of the merger or consolidation.

Section 14.6 *Effect of Merger*.

(a) At the effective time of the certificate of merger:

(i) all of the rights, privileges and powers of each of the business entities that has merged or consolidated, and all property, real, personal and mixed, and all debts due to any of those business entities and all other things and causes of action belonging to each of those business entities, shall be vested in the Surviving Business Entity and after the merger or consolidation shall be the property of the Surviving Business Entity to the extent they were of each constituent business entity;

(ii) the title to any real property vested by deed or otherwise in any of those constituent business entities shall not revert and is not in any way impaired because of the merger or consolidation;

(iii) all rights of creditors and all liens on or security interests in property of any of those constituent business entities shall be preserved unimpaired; and

(iv) all debts, liabilities and duties of those constituent business entities shall attach to the Surviving Business Entity and may be enforced against it to the same extent as if the debts, liabilities and duties had been incurred or contracted by it.

(b) A merger or consolidation effected pursuant to this Article shall not be deemed to result in a transfer or assignment of assets or liabilities from one entity to another.

**ARTICLE XV**  
**RIGHT TO ACQUIRE LIMITED PARTNER INTERESTS**

Section 15.1 *Right to Acquire Limited Partner Interests.*

(a) Notwithstanding any other provision of this Agreement, if at any time the Managing General Partner and its Affiliates hold more than 80% of the total Limited Partner Interests of any class then Outstanding, the Managing General Partner shall then have the right, which right it may assign and transfer in whole or in part to the Partnership or any Affiliate of the Managing General Partner, exercisable in its sole discretion, to purchase all, but not less than all, of such Limited Partner Interests of such class then Outstanding held by Persons other than the Managing General Partner and its Affiliates, at the greater of (x) the Current Market Price as of the date three days prior to the date that the notice described in Section 15.1(b) is mailed and (y) the highest price paid by the Managing General Partner or any of its Affiliates for any such Limited Partner Interest of such class purchased during the 90-day period preceding the date that the notice described in Section 15.1(b) is mailed.

(b) If the Managing General Partner, any Affiliate of the Managing General Partner or the Partnership elects to exercise the right to purchase Limited Partner Interests granted pursuant to Section 15.1(a), the Managing General Partner shall deliver to the Transfer Agent notice of such election to purchase (the "Notice of Election to Purchase") and shall cause the Transfer Agent to mail a copy of such Notice of Election to Purchase to the Record Holders of Limited Partner Interests of such class (as of a Record Date selected by the Managing General Partner) at least 10, but not more than 60, days prior to the Purchase Date. Such Notice of Election to Purchase shall also be published for a period of at least three consecutive days in at least two daily newspapers of general circulation printed in the English language and circulated in the Borough of Manhattan, New York. The Notice of Election to Purchase shall specify the Purchase Date and the price (determined in accordance with Section 15.1(a)) at which Limited Partner Interests will be purchased and state that the Managing General Partner, its Affiliate or the Partnership, as the case may be, elects to purchase such Limited Partner Interests (in the case of Limited Partner Interests evidenced by Certificates), upon surrender of Certificates representing such Limited Partner Interests in exchange for payment, at such office or offices of the Transfer Agent as the Transfer Agent may specify, or as may be required by any National Securities Exchange on which such Limited Partner Interests are listed or admitted to trading. Any such Notice of Election to Purchase mailed to a Record Holder of Limited Partner Interests at his address as reflected in the records of the Transfer Agent shall be conclusively presumed to have been given regardless of whether the owner receives such notice. On or prior to the Purchase Date, the Managing General Partner, its Affiliate or the Partnership, as the case may be, shall deposit with the Transfer Agent cash in an amount sufficient to pay the aggregate purchase price of all of such Limited Partner Interests to be purchased in accordance with this Section

15.1. If the Notice of Election to Purchase shall have been duly given as aforesaid at least 10 days prior to the Purchase Date, and if on or prior to the Purchase Date the deposit described in the preceding sentence has been made for the benefit of the holders of Limited Partner Interests subject to purchase as provided herein, then from and after the Purchase Date, notwithstanding that any Certificate shall not have been surrendered for purchase, all rights of the holders of such Limited Partner Interests (including any rights pursuant to Articles IV, V, VI, and XII) shall thereupon cease, except the right to receive the purchase price (determined in accordance with Section 15.1(a)) for Limited Partner Interests therefor, without interest (in the case of Limited Partner Interests evidenced by Certificates), upon surrender to the Transfer Agent of the Certificates representing such Limited Partner Interests, and such Limited Partner Interests shall thereupon be deemed to be transferred to the Managing General Partner, its Affiliate or the Partnership, as the case may be, on the record books of the Transfer Agent and the Partnership, and the Managing General Partner or any Affiliate of the Managing General Partner, or the Partnership, as the case may be, shall be deemed to be the owner of all such Limited Partner Interests from and after the Purchase Date and shall have all rights as the owner of such Limited Partner Interests (including all rights as owner of such Limited Partner Interests pursuant to Articles IV, V, VI and XII).

(c) If, following the Initial Offering, the Special General Partner owns less than 20% of all Outstanding Units, the Common GP Units will be deemed to be of the same class of Limited Partner Interests as Common LP Units for purposes of this Article XV.

**ARTICLE XVI**  
**GENERAL PROVISIONS**

Section 16.1 *Addresses and Notices*. Any notice, demand, request, report or proxy materials required or permitted to be given or made to a Partner under this Agreement shall be in writing and shall be deemed given or made when delivered in person or when sent by first class United States mail or by other means of written communication to the Partner at the address described below.

Any notice, payment or report to be given or made to a Partner hereunder shall be deemed conclusively to have been given or made, and the obligation to give such notice or report or to make such payment shall be deemed conclusively to have been fully satisfied, upon sending of such notice, payment or report to the Record Holder of such Partnership Interests at such Record Holder's address as shown on the records of the Transfer Agent or as otherwise shown on the records of the Partnership, regardless of any claim of any Person who may have an interest in such Partnership Interests by reason of any assignment or otherwise.

Notwithstanding the foregoing, if (i) a Partner shall consent to receiving notices, demands, requests, reports or proxy materials via electronic mail or by the Internet or (ii) the rules of the Commission shall permit any report or proxy materials to be delivered electronically or made available via the Internet, any such notice, demand, request, report or proxy materials shall be deemed given or made when delivered or made available via such mode of delivery.

An affidavit or certificate of making of any notice, payment or report in accordance with the provisions of this Section 16.1 executed by the Managing General Partner, the Transfer

Agent or the mailing organization shall be prima facie evidence of the giving or making of such notice, payment or report. If any notice, payment or report given or made in accordance with the provisions of this Section 16.1 is returned marked to indicate that such notice, payment or report was unable to be delivered, such notice, payment or report and, in the case of notices, payments or reports returned by the United States Postal Service (or other physical mail delivery mail service outside the United States of America), any subsequent notices, payments and reports shall be deemed to have been duly given or made without further mailing (until such time as such Record Holder or another Person notifies the Transfer Agent or the Partnership of a change in the address of such Record Holder) or other delivery if they are available for the Partner at the principal office of the Partnership for a period of one year from the date of the giving or making of such notice, payment or report to the other Partners. Any notice to the Partnership shall be deemed given if received by the Managing General Partner at the principal office of the Partnership designated pursuant to Section 2.3. The Managing General Partner may rely and shall be protected in relying on any notice or other document from a Partner or other Person if believed by it to be genuine.

Section 16.2 *Further Action*. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 16.3 *Binding Effect*. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 16.4 *Integration*. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 16.5 *Creditors*. None of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Partnership.

Section 16.6 *Waiver*. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

Section 16.7 *Counterparts*. This Agreement may be executed in counterparts, all of which together shall constitute an agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto or, in the case of a Person acquiring a Unit, pursuant to Section 10.1(a) without execution hereof.

Section 16.8 *Applicable Law*. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.



Section 16.9 *Invalidity of Provisions*. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

Section 16.10 *Consent of Partners*. Each Partner hereby expressly consents and agrees that, whenever in this Agreement it is specified that an action may be taken upon the affirmative vote or consent of less than all of the Partners, such action may be so taken upon the concurrence of less than all of the Partners and each Partner shall be bound by the results of such action.

Section 16.11 *Facsimile Signatures*. The use of facsimile signatures affixed in the name and on behalf of the transfer agent and registrar of the Partnership on Certificates representing Units is expressly permitted by this Agreement.

Section 16.12 *Third Party Beneficiaries*. Each Partner agrees that (a) any Indemnitee shall be entitled to assert rights and remedies hereunder as a third-party beneficiary hereto with respect to those provisions of this Agreement affording a right, benefit or privilege to such Indemnitee, (b) any Unrestricted Person shall be entitled to assert rights and remedies hereunder as a third-party beneficiary hereto with respect to those provisions of this Agreement affording a right, benefit or privilege to such Unrestricted Person and (c) Goldman, Sachs & Co., Kelso & Company, L.P. and their respective Affiliates and successors and assigns as owners of interests in either of the General Partners shall be entitled to assert rights and remedies hereunder as a third-party beneficiary hereto with respect to Section 7.5(g).

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

MANAGING GENERAL PARTNER:

**CVR GP, LLC**

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

SPECIAL GENERAL PARTNER:

**CVR Special GP, LLC**

By: Coffeyville Resources, LLC,  
its sole member

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

ORGANIZATIONAL LIMITED PARTNER:

**Coffeyville Resources, LLC**

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

*[Signature Page to Partnership Agreement]*

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FUTURE LIMITED PARTNERS AND SPECIAL GENERAL PARTNERS

All Limited Partners and Special General Partners now and hereafter admitted as Partners of the Partnership, pursuant to powers of attorney now and hereafter executed in favor of, and granted and delivered to the Managing General Partner.

**CVR GP, LLC**

By: /s/ James T. Rens \_\_\_\_\_

Name: James T. Rens

Title: Chief Financial Officer and Treasurer

*[Signature Page to Partnership Agreement]*

**COKE SUPPLY AGREEMENT**

THIS COKE SUPPLY AGREEMENT is entered into and effective as of the 25th day of October, 2007, by and between Coffeyville Resources Refining & Marketing, LLC, a Delaware limited liability company ("**Refinery Company**"), and Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company ("**Fertilizer Company**").

**RECITALS**

Refinery Company owns and operates a petroleum refinery located at Coffeyville, Kansas (the "**Refinery**").

Fertilizer Company owns and operates a fertilizer manufacturing Plant located adjacent to the Refinery (the "**Fertilizer Plant**").

Fertilizer Company and Refinery Company desire to enter into this Agreement providing for the provision of Coke by the Refinery Company to the Fertilizer Company, all upon the terms and subject to the conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements, representations and warranties herein set forth, and for other good and valuable consideration, the Parties hereto agree as follows:

**ARTICLE 1****DEFINITIONS**

The following terms shall have the meanings set forth below, unless the context otherwise dictates, both for purposes of this Agreement and all Exhibits hereto:

"**Agreement**" means this Coke Supply Agreement and the Exhibits hereto, all as the same may be amended, modified or supplemented from time to time.

"**Coke**" means petroleum coke that meets the specifications set forth on Exhibit A hereto. It is agreed that "Coke" may include API sludges and other oily sludges added to the petroleum coke so long as such petroleum coke continues to meet the specifications for "Coke" set forth on Exhibit A.

"**Dispute**" is defined in ARTICLE 4.

"**Event of Breach**" is defined in Section 3.12.

"**Feedstock and Shared Services Agreement**" means the Feedstock and Shared Services Agreement dated as of the date hereof between Refinery Company and Fertilizer Company.

"**Fertilizer Plant**" is identified in the second recital.

"**Fertilizer Company**" is defined in the preamble.

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“**Fertilizer Company Representative**” shall mean the plant manager of the Fertilizer Plant or such other person as is designated in writing by Fertilizer Company.

“**Intermediate Coke Storage Site**” means that certain intermediate coke storage site owned by Fertilizer Company located east of Sunflower Road.

“**Late Payment Rate**” is defined in Section 2.2(d).

“**Laws**” means all applicable laws, regulations, orders and decrees, including, without limitation, laws, regulations, permits, orders and decrees respecting health, safety and the environment.

“**Material Adverse Change**” is defined in Section 2.2(e).

“**Party**” and “**Parties**” mean the Parties to this Agreement.

“**Person**” means and includes natural persons, corporations, limited partners, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities.

“**Purchase Price**” is defined in Section 2.2(a).

“**Refinery**” is defined in the first recital.

“**Refinery Company**” is defined in the preamble.

“**Refinery Company Representative**” means the Plant Manager of Refinery Company or such other person as is designated in writing by Refinery Company.

## ARTICLE 2 COKE SUPPLY

### Section 2.1 Coke.

(a) Subject to the terms hereof, Refinery Company agrees to sell and deliver to Fertilizer Company, and Fertilizer Company agrees to purchase and accept delivery of, each calendar year during the term of this Agreement, an amount (the “**Maximum Required Amount**”) equal to the lesser of (i) one hundred percent (100%) of the Coke produced at the Refinery during such calendar year, or (ii) 500,000 tons of Coke. In the event that Refinery Company produces during a calendar month a quantity of Coke that exceeds 41,667 tons of Coke (“**Base Monthly Amount**”), then Refinery Company may sell the excess amount of Coke (“**Excess Coke**”) to any third party, provided that the Refinery Company first gives the Fertilizer Company notice of the availability of such Excess Coke and the option of Fertilizer Company to purchase all or part of such Excess Coke at the Purchase Price, which option must be exercised by Fertilizer Company’s taking delivery of such Excess Coke within ten (10) days following the

date Refinery Company gives notice of such Excess Coke to Fertilizer Company. Coke shall be measured as provided for in Exhibit B.

(b) During the term of this Agreement, Refinery Company will (i) not less than thirty (30) days prior to the commencement of each calendar quarter, provide Fertilizer Company with a good faith written forecast, for the twelve (12) month period commencing on the first day of such calendar quarter, of the quantity of Coke to be produced for such twelve (12) month period, and (ii) on or before February 1 of each calendar year, provide Fertilizer Company with a good faith written forecast for the three (3) calendar year period commencing on the first day of the calendar year in which such forecast is provided. Such forecasts shall be part of, or consistent with, Refinery Company's business plan. It is understood that the forecasts provided in accordance with this Section 2.1(a) are solely for the purpose of facilitating scheduling and delivery of Coke and are not binding upon Refinery Company or Fertilizer Company. Refinery Company will not have any liability to Fertilizer Company arising out of or relating to such forecasts.

**Section 2.2 Price, Invoices and Payment.**

(a) The price for Coke purchased hereunder will be as indicated on Exhibit A (the "**Purchase Price**").

(b) To the extent legally permissible, all present and future taxes imposed by any federal, state, local or foreign authority which Refinery Company may be required to pay or collect, upon or with reference to the sale, purchase, transportation, delivery, storage, use or consumption of Coke, including taxes upon or measured by the receipts therefrom (except net income and equity franchise taxes) will be for the account of Fertilizer Company.

(c) Refinery Company will invoice Fertilizer Company (as below provided), and Fertilizer Company will pay Refinery Company via wire transfer, the net amount due per such invoices in accordance with the payment provisions set forth in this Section 2.2.

(d) Invoices will be issued weekly, after the delivery of the Coke, in accordance with Section 2.3 and the price will be the price as in effect at the time of such delivery in accordance with Exhibit A. All such invoices will be due net fifteen (15) days. Fertilizer Company will make payment in full of the amount due under each invoice in strict compliance with the payment terms as set forth in this Agreement without any deduction for any discount or credits, contra or setoffs of any kind or amount whatsoever (including any claims against Refinery Company for any reason other than a breach of this Agreement) unless expressly authorized in writing by Refinery Company prior to the payment date relating to such invoice(s), and except that Fertilizer Company shall be entitled to offset, against any amount payable by Fertilizer Company to Refinery Company for Coke under this Agreement, any amounts payable from Refinery Company to Fertilizer Company for Feedstocks or Services under the Feedstock and Shared Services Agreement. To the extent any amount payable under this Agreement is not paid when due, then in addition to the amount payable and in addition to all other available rights and remedies, Fertilizer Company also will be obligated to pay interest on such amount payable from and after the due date for such payment until such payment is made at a rate of interest per annum equal to three percent (3%) above the "prime rate" as published from time to time in The

Wall Street Journal as the base lending rate on corporate loans posted by at least seventy-five percent (75%) of the thirty (30) largest United States banks (the "**Late Payment Rate**").

(e) As soon as available, and in any event within ninety (90) days after the end of the Fertilizer Company's fiscal year and forty-five (45) days after the end of each of the first three fiscal quarters of the Fertilizer Company's fiscal year, Fertilizer Company will provide financial statements to Refinery Company to support its purchase of Coke under the terms of this Agreement on an unsecured basis. In the event that, in Refinery Company's sole judgment and utilizing financial and credit metrics commonly used to analyze the Refinery Company's existing customer base, there is deemed to exist any material adverse change in the financial condition or liquidity of Fertilizer Company and/or in the then current ability of Fertilizer Company to discharge its existing or future payment obligations hereunder (a "**Material Adverse Change**"), Refinery Company will have the right, upon written notice to Fertilizer Company, to require that Fertilizer Company provide additional assurances ("**Assurances**") to Refinery Company as security for Fertilizer Company's obligations hereunder, which notice shall include (i) a summary of the information upon which Refinery Company has based its determination that such a Material Adverse Change has occurred, and (ii) the dollar amount of the required Assurances (the "**Assurance Amount**"), which Assurance Amount shall not exceed the product of the following: (A) the average daily dollar value of Coke purchased by Fertilizer Company from Refinery Company for the ninety (90) day period preceding the date on which Refinery Company gives notice to Fertilizer Company that a Material Adverse Change has occurred, multiplied by (B) twenty-one (21). Unless otherwise agreed by the Parties with respect to a Material Adverse Change that is the subject of such a notice, any requirement of such Assurances with respect to such Material Adverse Change shall be satisfied only by Fertilizer Company's delivery to Refinery Company of Assurances in the form and nature of any of the following: (i) an irrevocable standby or documentary letter of credit, for a duration and in an amount sufficient to cover the Assurance Amount, in a format reasonably satisfactory to Refinery Company and issued or confirmed by a bank reasonably acceptable to Refinery Company; (ii) a prepayment to cover the Assurance Amount; and/or (iii) a surety instrument for a duration and in an amount sufficient to cover the Assurance Amount, in a format reasonably satisfactory to Refinery Company and issued by a financial institution or insurance company reasonably acceptable to Refinery Company. All bank charges relating to any letter of credit and any fees, commissions, premiums, costs and expenses incurred with respect to furnishing such Assurances will be for Fertilizer Company's account. Fertilizer Company agrees, at any time and from time to time upon the request of Refinery Company, to execute, deliver and acknowledge, or cause to execute, deliver and acknowledge, such further documents and instruments and do such other acts and things as Refinery Company may reasonably request in order to fully effect the purposes of this Section 2.2(e). If Fertilizer Company does not provide such Assurances within five (5) days following the giving of written notice by Refinery Company that a Material Adverse Change has occurred and that such Assurances are required, Refinery Company may, in addition to any and all remedies available to Refinery Company hereunder or at law or in equity, require Fertilizer Company to pay for future deliveries of Coke on a cash-on-delivery basis, failing which Refinery Company may suspend further delivery of Coke until such Assurances are provided and terminate this Agreement upon thirty (30) days prior written notice to Fertilizer Company. Notwithstanding anything to the contrary in this Agreement, Fertilizer Company may, within sixty (60) days after it provides Assurances to Refinery Company as required hereunder, terminate this Agreement upon five (5) days prior written notice to Refinery

Company, provided that such termination shall not limit or affect the right of Refinery Company to draw upon the Assurances, or pursue any other remedies available hereunder, at law, or in equity, with respect to any obligations of Fertilizer Company hereunder. Any Assurances provided by Fertilizer Company shall be promptly released following such termination and satisfaction of any remaining obligations to Refinery Company.

Section 2.3 Delivery, Title, and Risk of Loss.

(a) Delivery of Coke to Fertilizer Company will take place FOB Refinery in the eastern half of the Refinery's Coke pit (the "Delivery Point") and will be loaded at the Delivery Point by Fertilizer Company, at its expense, into transport trucks supplied by Fertilizer Company or its contractor. Title and risk of loss to the Coke delivered under this Agreement will pass from Refinery Company to Fertilizer Company upon loading of the Coke into such trucks at the Delivery Point. Refinery Company shall permit such trucks to enter upon Refinery premises as reasonably necessary to load the Coke into such trucks and related ingress and egress.

(b) Fertilizer Company is required to take delivery of Coke and remove it from the Delivery Point on a ratable basis so that Coke inventory accumulation at the Delivery Point will not exceed 1,500 tons at any time, and so that the Delivery Point will, at least once during every calendar day, not contain any Coke (other than residual Coke fines or Coke that is at or below the water level in the Coke pit at the Delivery Point). In the event that the daily production of Coke by Refinery Company increases, Fertilizer Company will be required to take delivery of Coke as often as is necessary based upon the increased production by Refinery Company so as to continue to satisfy Fertilizer Company's obligations under the immediately preceding sentence. Notwithstanding the foregoing, Fertilizer Company shall have no obligation to take delivery of Excess Coke unless Fertilizer Company elects to purchase such Excess Coke.

(c) If Fertilizer Company does not take delivery of the Coke in accordance with this Agreement, such quantities will be delivered by Refinery Company on Fertilizer Company's behalf to the Intermediate Coke Storage Site. Fertilizer Company will pay Refinery Company for all Coke delivered into the Intermediate Coke Storage Site, the Purchase Price, plus Refinery Company's costs of delivering the Coke. Title and risk of loss or damage to such Coke will pass to Fertilizer Company upon delivery into the Intermediate Coke Storage Site, and Refinery Company will invoice Fertilizer Company, pursuant to the procedures set forth in Section 2.2(d), the Purchase Price plus the fee upon delivery into the Intermediate Coke Storage Site.

Section 2.4 Sampling, Analysis and Weighing.

(a) Refinery Company will sample the Coke produced by each production turn and the Coke purchased by Fertilizer Company as per its standard practice, perform chemical and physical analyses in accordance with Exhibit B, and either average the analyses of such samples, or composite the samples for one analysis, to determine a weekly average analysis that will be deemed to be the analysis of Coke loaded into trucks by Fertilizer Company or delivered to Fertilizer Company, as the case may be, during such week. The weekly weighted average Coke analysis will be transmitted electronically or telefaxed to such Person as Fertilizer Company may from time to time direct as soon as available, it being understood that such analysis will be available as soon as practicable, normally within 24 to 48 hours of the analyzed Coke's delivery.



Such weekly average analyses will be rebuttably presumptively correct as to the quality of Coke sold hereunder; however, if Fertilizer Company should encounter material discrepancies between Refinery Company's weekly average analyses and Fertilizer Company's own quality analyses, Fertilizer Company and Refinery Company will meet to discuss the reasons for such discrepancies and any appropriate remedial action. If Fertilizer Company encounters any such material discrepancy, then Fertilizer Company will retain a sample of the Coke sampled pursuant to this Section 2.4(a) for its own quality analysis, labeled so as to identify the truck load that was sampled. In the event that Fertilizer Company and Refinery Company cannot agree as to the quality of the Coke, either party may, without limitation, submit such dispute for resolution in accordance with ARTICLE 4.

(b) Refinery Company shall give to Fertilizer Company at least twenty-four (24) hours advance notice if Refinery Company has actual knowledge that any petroleum coke to be made available for delivery to Fertilizer Company hereunder on a specified date will not meet the specifications for Coke set forth on Exhibit A ("**Off-Spec Coke**"). Fertilizer Company shall have the right to refuse delivery of such Off-Spec Coke, provided that if Fertilizer Company does accept delivery of any Off-Spec Coke, then such Off-Spec Coke accepted by Fertilizer Company shall be deemed Coke for all other purposes of this Agreement. In the event that Refinery Company gives advance notice of Off-Spec Coke to Fertilizer Company, with respect to the Coke that is available on more than twenty (20) days in any calendar year, or Off-Spec Coke is otherwise delivered to Fertilizer Company on more than twenty (20) days in any calendar year, and Fertilizer Company is required to incur additional capital costs to handle such Off-Spec Coke ("**Off-Spec Costs**"), then Fertilizer Company shall give written notice of such Off-Spec Costs to Refinery Company and the Refinery Company shall, within thirty (30) days thereafter, elect by written notice to Fertilizer Company to either (i) adjust the Purchase Price on a mutually agreeable commercially reasonable basis to address such additional Off-Spec Costs, or (ii) share such additional Off-Spec Costs on a mutually agreeable commercially reasonable basis.

(c) Refinery Company shall give to Fertilizer Company not less than three (3) years advance written notice (the "**Advance Sustained Off-Spec Notice**") that Refinery Company reasonably anticipates, based upon reasonably expected expansion or revamp plans for the Refinery or reasonably expected changes in the feedstocks used in the production of Coke, that the Coke to be made available hereunder will, for a sustained period of more than seven (7) consecutive days, have either of the following ("**Sustained Off-Spec Coke**"): (i) HGI below 30, or (ii) sulfur content in excess of 5.0 wt. %. Fertilizer Company shall determine, on a commercially reasonable basis, and deliver to Refinery Company within ninety (90) days following the Advance Sustained Off-Spec Notice, written notice of the additional capital costs that Fertilizer Company reasonably anticipates that it will be required to incur in order to handle such Sustained Off-Spec Coke on a commercially reasonable basis ("**Sustained Off-Spec Costs**"). Following receipt by Refinery Company of such notice of Sustained Off-Spec Costs, the Refinery Company shall, within ninety (90) days thereafter, elect by written notice to Fertilizer Company to either (i) adjust the Purchase Price on a mutually agreeable commercially reasonable basis to address such additional Sustained Off-Spec Costs, or (ii) direct Fertilizer Company to invoice Refinery Company for the actual commercially reasonable Sustained Off-Spec Costs as and when incurred by Fertilizer Company, which invoice shall include reasonable documentation of such Sustained Off-Spec Costs as incurred, and Refinery Company shall pay to

Fertilizer Company the amount of such invoice within thirty (30) days following receipt of such invoice.

(d) Fertilizer Company reserves the right to perform quality analyses more often than weekly and, in the event that any such quality analyses demonstrates a material discrepancy between the analyses performed by Refinery Company and Fertilizer Company, such discrepancy shall be addressed as provided in Section 2.4(a).

(e) With respect to shipments of Coke, the quantities used for billing hereunder will be as determined in accordance with the Coke quantity measurement provision in Exhibit B.

Section 2.5 Terms and Conditions of Sale.

(a) In the event that any shipment of Coke does not conform to the applicable specifications, the Party discovering the nonconformity will provide prompt written notice to the other Party (and in any event, within two (2) days after the arrival of the shipment) of the nonconformity, which notice will include copies of all analyses and other documentation describing and quantifying the nonconformity, and the Parties will promptly undertake negotiations in good faith to effectuate an appropriate disposition of the nonconforming material, which may include an equitable price adjustment. In the event that the Parties are unable to agree to an appropriate disposition of the nonconforming material within fourteen (14) days, either Party may submit such dispute for resolution in accordance with ARTICLE 4 hereof.

(b) In the event of a conflict between the terms and conditions of this Agreement and the terms or conditions contained in any notice, shipment, specifications, purchase order, sales order, acknowledgement or other document which may be used in connection with the transactions contemplated by this Agreement, the terms and conditions of this Agreement will supersede and govern, unless expressly waived in accordance with Section 11.5.

Section 2.6 Warranty. Except for Off-Spec Coke identified in advance and delivered to Fertilizer Company in accordance with Section 2.4(b), Refinery Company warrants that all Coke sold by Refinery Company hereunder will conform to the specifications set forth in Exhibit A. OTHER THAN AS AFORESAID, REFINERY COMPANY MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE ARE HEREBY EXPRESSLY DISCLAIMED BY REFINERY COMPANY AND EXCLUDED HEREUNDER. Refinery Company will not be liable for any incidental, consequential or punitive damages, losses or expenses based upon, resulting from, or arising out of any breach of this Agreement by Refinery Company or any use of, or the inability to use, the Coke for any purpose whatsoever.

### ARTICLE 3

#### TERM

Section 3.1 Term. This Agreement shall be for an initial term of twenty (20) years. The term of this Agreement shall be automatically extended following the initial term for additional successive five (5) year renewal periods, unless either party gives notice to the other party, not

less than three (3) years prior to the date that any such renewal period would commence, that such party does not desire to extend and renew the term of this Agreement, in which event this Agreement shall terminate upon the expiration of the term in which the notice of nonrenewal is given.

Section 3.2 Termination. Notwithstanding Section 3.1, this Agreement may be terminated by mutual agreement of the parties. This Agreement may also be terminated as otherwise provided in this Agreement and as follows:

(a) This Agreement may be terminated by one Party (the "Terminating Party") upon notice to the other Party (the "Breaching Party"), following the occurrence of an Event of Breach with respect to the Breaching Party. For purposes hereof, an "Event of Breach" shall occur when a breach of this Agreement by the Breaching Party has not been cured by such Breaching Party within ten (10) days after receipt of written notice thereof from the Terminating Party with respect to breach of any monetary payment obligation, or, in the case of a breach other than of any monetary payment obligation, within thirty (30) days after such receipt, or, in the case of a breach that is not reasonably feasible to effect a cure within said 30-day period, within ninety (90) days after such receipt provided that the Breaching Party diligently prosecutes the cure of such breach.

(b) This Agreement may be terminated by the Refinery Company effective as of the permanent termination of substantially all of the operations at the Refinery (with no intent by Refinery Company or its successor to recommence operations at the Refinery); provided, however, that notice of such permanent termination of operations shall be provided by the Refinery Company to Fertilizer Company at least twelve (12) months prior to such permanent termination.

(c) This Agreement may be terminated by the Fertilizer Company effective as of the permanent termination of substantially all of the fertilizer production operations at the Fertilizer Plant (with no intent by Fertilizer Company or its successor to recommence operations at the Fertilizer Plant); provided, however, that notice of such permanent termination of operations shall be provided by the Fertilizer Company to Refinery Company at least twelve (12) months prior to such permanent termination.

(d) This Agreement may be terminated by one Party upon notice to the other Party following (i) the appointment of a receiver for such other Party or any part of its property, (ii) a general assignment by such other Party for the benefit of creditors of such other Party, or (iii) the commencement of a proceeding under any bankruptcy, insolvency, reorganization, arrangement or other law relating to the relief of debtors by or against such other Party; provided, however, that if any such appointment or proceeding is initiated without the consent or application of such other Party, such appointment or proceeding shall not constitute a termination event under this Agreement until the same shall have remained in effect for sixty (60) days.

Section 3.3 Effects of Expiration or Termination. Refinery Company and Fertilizer Company agree that upon and after expiration or termination of this Agreement:

- (a) Fertilizer Company will remain obligated to make any payment due to Refinery Company hereunder for any Coke delivered to or purchased by Fertilizer Company prior to termination.
- (b) Liabilities of any Party arising from any act, breach or occurrence prior to termination will remain with such Party.
- (c) The Parties' rights and obligations under Sections 2.2, 2.3, 2.5 and 2.6, and ARTICLES 4, 5, 6, 7, 8, 9, 10 and 11, will survive the expiration or termination of this Agreement.

#### ARTICLE 4

##### DISPUTES

The Parties shall in good faith attempt to resolve promptly and amicably any dispute between the Parties arising out of or relating to this Agreement (each a "**Dispute**") pursuant to this Article 4. The Parties shall first submit the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, who shall then meet within fifteen (15) days to resolve the Dispute. If the Dispute has not been resolved within forty-five (45) days after the submission of the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, the Dispute shall be submitted to a mutually agreed non-binding mediation. The costs and expenses of the mediator shall be borne equally by the Parties, and the Parties shall pay their own respective attorneys' fees and other costs. If the Dispute is not resolved by mediation within ninety (90) days after the Dispute is first submitted to the Refinery Company Representative and the Fertilizer Company Representative as provided above, then the Parties may exercise all available remedies.

#### ARTICLE 5

##### INDEMNIFICATION

Section 5.1 **Indemnification Obligations.** Each of the Parties (each, an "**Indemnitor**") shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees (each, an "**Indemnitee**") harmless from and against all liabilities, obligations, claims, losses, damages, penalties, deficiencies, causes of action, costs and expenses, including, without limitation, attorneys' fees and expenses (collectively, "**Losses**") imposed upon, incurred by or asserted against the Person seeking indemnification that are caused by, are attributable to, result from or arise out of the breach of this Agreement by the Indemnitor or the negligence or willful misconduct of the Indemnitor, or of any officers, directors, members, managers, employees, agents, contractors and/or subcontractors acting for or on behalf of the Indemnitor. Any indemnification obligation pursuant to this Article 5 with respect to any particular Losses shall be reduced by all amounts actually recovered by the Indemnitee from third parties, or from applicable insurance coverage, with respect to such Losses. Upon making any payment to any Indemnitee, the Indemnitor shall be subrogated to all rights of the Indemnitee against any third party in respect of the Losses to which such payment relates, and such Indemnitee shall execute upon request all instruments reasonably necessary to evidence and

perfect such subrogation rights. If the Indemnitee receives any amounts from any third party or under applicable insurance coverage subsequent to an indemnification payment by the Indemnitor, then such Indemnitee shall promptly reimburse the Indemnitor for any payment made or expense incurred by such Indemnitor in connection with providing such indemnification payment up to the amount received by the Indemnitee, net of any expenses incurred by such Indemnitee in collecting such amount.

Section 5.2 Indemnification Procedures.

(a) Promptly after receipt by an Indemnitee of notice of the commencement of any action that may result in a claim for indemnification pursuant to this Article 5, the Indemnitee shall notify the Indemnitor in writing within 30 days thereafter; provided, however, that any omission to so notify the Indemnitor will not relieve it of any liability for indemnification hereunder as to the particular item for which indemnification may then be sought (except to the extent that the failure to give notice shall have been materially prejudicial to the Indemnitor) nor from any other liability that it may have to any Indemnitee. The Indemnitor shall have the right to assume sole and exclusive control of the defense of any claim for indemnification pursuant to this Article 5, including the choice and direction of any legal counsel.

(b) An Indemnitee shall have the right to engage separate legal counsel in any action as to which indemnification may be sought under any provision of this Agreement and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the Indemnitor has agreed in writing to pay such fees and expenses, (ii) the Indemnitor has failed to assume the defense thereof and engage legal counsel within a reasonable period of time after being given the notice required above, or (iii) the Indemnitee shall have been advised by its legal counsel that representation of such Indemnitee and other parties by the same legal counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same legal counsel has been proposed) due to actual or potential conflicts of interests between them. It is understood, however, that to the extent more than one Indemnitee is entitled to engage separate legal counsel at the Indemnitor's expense pursuant to clause (iii) above, the Indemnitor shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnitees having the same or substantially similar claims against the Indemnitor, unless but only to the extent the Indemnitees have actual or potential conflicting interests with each other.

(c) The Indemnitor shall not be liable for any settlement of any action effected without its written consent, but if settled with such written consent, or if there is a final judgment against the Indemnitee in any such action, the Indemnitor agrees to indemnify and hold harmless the Indemnitee to the extent provided above from and against any loss, claim, damage, liability or expense by reason of such settlement or judgment.

**ARTICLE 6**

**ASSIGNMENT**

This Agreement shall extend to and be binding upon the Parties hereto, their successors and permitted assigns. Either Party may assign its rights and obligations hereunder solely (i) to an affiliate under common control with the assigning Party, provided that any such assignment shall require the prior written consent of the other Party hereto (such consent not to be unreasonably withheld or delayed), and provided that the applicable assignee agrees, in a written instrument delivered to (and reasonably acceptable to) such other Party, to be fully bound hereby, or (ii) to a Party's lenders for collateral security purposes, provided that in the case of any such assignment each Party agrees (x) to cooperate with the lenders in connection with the execution and delivery of a customary form of lender consent to assignment of contract rights and (y) any delay or other inability of a Party to timely perform hereunder due to a restriction imposed under the applicable credit agreement or any collateral document in connection therewith shall not constitute a breach hereunder. In addition, each Party agrees that it will assign its rights and obligations hereunder to a transferee acquiring all or substantially all of the equity in or assets of the assigning Party related to the Refinery or Fertilizer Plant (as applicable), which transferee must be approved in writing by the non-assigning Party (such approval not to be unreasonably withheld or delayed) and must agree in writing (with the non-assigning Party) to be fully bound hereby.

**ARTICLE 7**

**GOVERNING LAW AND VENUE**

THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SAID STATE. THE PARTIES AGREE THAT ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT MAY BE MAINTAINED IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF KANSAS, AND EACH PARTY AGREES TO SUBMIT PERSONALLY TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY WAIVES THE DEFENSES OF FORUM NON-CONVENIENS OR IMPROPER VENUE WITH RESPECT TO ANY ACTION BROUGHT IN ANY SUCH COURT IN CONNECTION WITH THIS AGREEMENT.

**ARTICLE 8**

**LIMITATION OF LIABILITY**

In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, will either Party, its employees, suppliers or subcontractors, be liable for loss of profits or revenue or special, incidental, exemplary, punitive or consequential damages. In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall either Party, its employees, suppliers or subcontractors, be liable for loss of profits or revenue or special, incidental, exemplary, punitive

or consequential damages; provided, however, that the foregoing limitation shall not preclude recourse to any insurance coverage maintained by the Parties.

#### ARTICLE 9

##### NOTICE

Any notice, request, correspondence, information, consent or other communication to any of the Parties required or permitted under this Agreement will be in writing (including telex, telecopy, or facsimile) and will be given by personal service or by telex, telecopy, facsimile, overnight courier service, or certified mail with postage prepaid, return receipt requested, and properly addressed to such Party and shall be effective upon receipt. For purposes hereof the proper address of the Parties will be the address stated beneath the corresponding Party's name below, or at the most recent address given to the other Parties hereto by notice in accordance with this Article:

If to Refinery Company, to:

Coffeyville Resources  
Refining & Marketing, LLC  
400 N. Linden St., P.O. Box 1566  
Coffeyville, Kansas 67337  
Attention: Executive Vice President,  
Refining Operations  
Facsimile: (620) 251-1456

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

If to Fertilizer Company, to:

Coffeyville Resources  
Nitrogen Fertilizers, LLC  
701 E. Martin St., P.O. Box 5000  
Coffeyville, Kansas 67337  
Attention: Executive Vice President and  
Fertilizer General Manager  
Facsimile: (620) 252-4357

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

or such other addresses as either Party designates by registered or certified mail addressed to the other Party.

#### ARTICLE 10

##### EXHIBITS

All of the Exhibits attached hereto are incorporated herein and made a part of this Agreement by reference thereto.

**ARTICLE 11**  
**MISCELLANEOUS**

Section 11.1 Headings. The headings used in this Agreement are for convenience only and will not constitute a part of this Agreement.

Section 11.2 Ancillary Documentation; Amendments and Waiver. The Parties may, from time to time, use purchase orders, acknowledgments or other instruments to order, acknowledge or specify delivery times, suspensions, quantities or other similar specific matters concerning the provision of Coke or relating to performance hereunder, but the same are intended for convenience and record purposes only and any provisions which may be contained therein are not intended to (nor will they serve to) add to or otherwise amend or modify any specific provision of this Agreement, even if signed or accepted on behalf of either Party with or without qualification. This Agreement may not be amended, modified or waived except by a writing signed by all Parties to this Agreement that specifically references this Agreement and specifically provides for an amendment, modification or waiver of this Agreement. No waiver of or failure or omission to enforce any provision of this Agreement or any claim or right arising hereunder will be deemed to be a waiver of any other provision of this Agreement or any other claim or right arising hereunder.

Section 11.3 Cooperation. Refinery Company and Fertilizer Company will cause their respective personnel to fully cooperate with, and comply with the reasonable requests of, the other Party and its employees, agents and contractors in coordinating the scheduling of planned turnarounds and temporary shutdowns.

Section 11.4 Construction and Severability. Every covenant, term and provision of this Agreement will be construed simply according to its fair meaning and in accordance with industry standards and not strictly for or against either Party. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity will not affect the validity or legality of the remainder of this Agreement.

Section 11.5 Waiver. The waiver by either Party of any breach of any term, covenant or condition contained in this Agreement will not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition contained in this Agreement. No term, covenant or condition of this Agreement will be deemed to have been waived unless such waiver is in writing.

Section 11.6 Entire Agreement. This Agreement, including all Exhibits hereto, constitutes the entire, integrated agreement between the Parties regarding the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties, whether written or oral, regarding the subject matter hereof.

*[signature page follows]*



**Signature Page  
to  
Coke Supply Agreement**

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above set forth.

COFFEYVILLE RESOURCES REFINING & MARKETING, LLC

COFFEYVILLE RESOURCES  
NITROGEN FERTILIZERS, LLC

By: /s/ Robert W. Haugen  
Name: Robert W. Haugen  
Title: Executive Vice President,  
Refining Operations

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

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**EXHIBIT A**

**ANALYSIS, SPECIFICATIONS AND PRICING FOR COKE**

- Sulfur	3.5 wt. % (dry, typical); provided, however, that the sulfur will not exceed 4.5% on a monthly average basis and will not exceed 6% on a weekly composite basis
- Ash	0.35 wt. % (dry, maximum)
- Chloride content	30.0 ppm by wt. dry basis (maximum)
- Moisture content	Refinery Company to provide report of moisture content for available Coke on a monthly basis.
- Volatile matter	9 to 14%
- Hardness	30.0 HGI (maximum)
- Purchase Price	The Purchase Price per ton of Coke will be the lesser of the Index Price or the UAN Netback Based Price. The Index Price shall be the mid-point for the most recent published quarter in the Pace Petroleum Coke Quarterly under the heading "Midwest Green Coke, Chicago Area, FOB Source." (in the event Pace Petroleum Coke Quarterly ceases to be published or ceases to include a heading for "Midwest Green Coke, Chicago Area", the Parties will agree on a substitute Coke index). The UAN Netback Based Price shall be \$25 per ton at a UAN netback plant price of \$205, adjusted up or down \$0.50 per ton for each \$1 change in the UAN netback plant price, up to a UAN Netback Based Price cap of \$40 per ton or down to a UAN Netback Based Price floor of \$5 per ton. The UAN netback plant price will be the netback price realized by the Fertilizer Company at the Fertilizer Plant for the calendar month preceding the month of Coke delivery based upon the books and records of the Fertilizer Company. In no event shall the Purchase Price per ton of Coke be below \$0. The Purchase Price shall be subject to adjustment as provided in Sections 2.4(b) and (c).

## EXHIBIT B

### COKE MEASUREMENT, SAMPLING AND TESTING PROCEDURES

- Quantity measurement

Refinery Company shall, upon opening a coke drum and prior to emptying the contents of such coke drum into the coke pit, determine Coke quantity by measuring the "outage" for a coke drum which is the distance from the designated spot near the top of each coke drum down to the level in the drum where the Coke begins. An outage table, attached as Appendix 1 to this Exhibit B, will then be utilized along with the measured outage to determine the quantity of Coke in the coke drum. The Coke quantity so determined shall be recorded in the Refinery Company's outage log. A copy of the outage log shall be provided to Fertilizer Company with each invoice. Refinery Company shall maintain for three (3) years all records related to the determination of Coke quantity along with the outage log and the Fertilizer Company, upon reasonable request, may review such records and logs and may observe the physical measurement of the coke drum outage.

- Sampling and testing

Representative drum cut samples will be composited and tested for ash, sulfur and chlorine per the following methodology:

Sample Preparation: ASTM D346-90 "Collection and Preparation of Coke Samples For Laboratory Analysis"

Deviation: A 2.5 gallon sample will be used.

Ash: ASTM D3174-02 "Ash in the Analysis Sample of Coal and Coke from Coal"

Deviation: Ashed at 750C to constant weight.

Sulfur and Chlorine: X-ray analysis of whole coke as pressed pellet against known Standards.

**CROSS EASEMENT AGREEMENT**

**THIS CROSS EASEMENT AGREEMENT** (this "**Agreement**") is made as of the 25th day of October, 2007 (the "**Effective Date**"), by and between Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company (the "**Fertilizer Company**"), and Coffeyville Resources Refining & Marketing, LLC, a Delaware limited liability company (the "**Refinery Company**").

**RECITALS**

1. Fertilizer Company is the owner of certain real property located in Montgomery County, Kansas, as legally described on the attached Exhibit A (the "**Fertilizer Parcel**"), and Refinery Company is the owner of certain real property located in Montgomery County, Kansas, as legally described on the attached Exhibit B (the "**Refinery Parcel**"). The Refinery Parcel and the Fertilizer Parcel are herein collectively referred to as the "**Parcels**", and each, as a "**Parcel**").
  2. The Refinery Parcel and the Fertilizer Parcel are the subject of that certain unrecorded Cross Easement Agreement dated as of March 3, 2004 (the "**Original Cross Easement Agreement**"), in which Fertilizer Company and Refinery Company granted to each other various easements and rights as therein more particularly set forth.
  3. The Parties have recently reconfigured the boundaries of their respective Parcels and are dividing and separating the operations of Refinery Company's oil refinery facilities from the operations of Fertilizer Company's adjacent nitrogen fertilizer plant operations. In connection therewith, the Parties are entering into the following agreements (collectively, "**Service Agreements**"): (i) Feedstock and Shared Services Agreement (the "**Feedstock Agreement**"); (ii) Coke Supply Agreement; (iii) Raw Water and Facilities Sharing Agreement (the "**Raw Water Agreement**"); and (iv) Environmental Agreement.
  4. Fertilizer Company and Refinery Company are granting to each other, as hereinafter set forth, certain non-exclusive easements and rights of use upon, over and across the Fertilizer Parcel and the Refinery Parcel, respectively, for, but not limited to, the following purposes: (i) the use of pipelines, transmission lines, equipment, drainage facilities, other Plant facilities and improvements and the maintenance thereof; (ii) pedestrian and vehicular access; and (iii) all other purposes as necessary for the use, operation and maintenance of the business and operations currently conducted on the Parcels and as necessary to carry out the purposes and intent of the Service Agreements.
  5. The parties desire to amend, supersede and restate the Original Cross Easement Agreement in its entirety by this Agreement to reflect the foregoing, all as hereinafter set forth.
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NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Parties agree as follows:

#### ARTICLE 1. INCORPORATION OF RECITALS; DEFINITIONS

1.1 As of the date hereof, the Original Cross Easement Agreement is hereby amended, superseded and restated in its entirety by the terms of this Agreement.

1.2 The terms of each of the foregoing Recitals are incorporated herein by this reference.

1.3 All terms not defined in this Agreement but which are defined in the Service Agreements are used herein as so defined in Service Agreements; provided, however those terms that are expressly stated herein as being defined in one of the Service Agreements are used herein as defined in such Service Agreement. The following terms shall have the meanings set forth below, for purposes of this Agreement and all Exhibits hereto:

“*Access Areas*” is defined in [Section 2.1\(A\)](#).

“*Access Easement (Fertilizer Parcel)*” is defined in [Section 2.1\(B\)](#).

“*Access Easements (Refinery Parcel)*” is defined in [Section 2.1\(C\)](#).

“*Additional Easements*” is defined in [Section 2.3\(J\)](#).

“*Aerial*” means that aerial photograph attached hereto as [Exhibit C](#), which consists of 15 sheets.

“*Agreement*” means this Cross Easement Agreement and the exhibits hereto, all as the same may be subsequently amended, modified or supplemented from time to time as herein provided.

“*Coke Conveyor Belt Easement*” is defined in [Section 2.3\(C\)](#).

“*Coke Conveyor Belt Easement Area*” is legally described in [Exhibit G](#).

“*Coke Haul Road*” is defined in [Section 2.3\(C\)](#) and is legally described in [Exhibit P](#).

“*Coke Supply Agreement*” is defined in Recital 3.

“*Connection Purposes*” is defined in [Section 3.2](#).

“*Constructing Party*” is defined in [Section 2.2\(E\)\(1\)](#).

“**Construction Buffer Zone Easement Area**” is defined in [Section 2.3\(I\)](#), and is legally described in [Exhibit R-1](#).

“**Dispute**” is defined in [Section 5.1](#).

“**Easement Areas**” is defined in [Section 4.1](#).

“**Easements**” is defined in [Section 4.1](#).

“**East Tank Farm Area (Refinery Parcel)**” is defined in [Section 2.3\(E\)](#), and is legally described on [Exhibit K](#).

“**East Tank Farm Easements**” is defined in [Section 2.3\(E\)](#).

“**East Tank Farm Roadway Area (Fertilizer Parcel)**” is defined in [Section 2.3\(E\)](#) and is legally described on [Exhibit J](#).

“**Environmental Agreement**” is defined in Recital 3.

“**Feedstock Agreement**” is defined in Recital 3.

“**Fertilizer Company**” is defined in the preamble.

“**Fertilizer Company Clarifier Tract**” is defined in [Section 2.3\(A\)](#) and legally described on [Exhibit N](#).

“**Fertilizer Parcel**” is defined in Recital 1 and is legally described on [Exhibit A](#).

“**Fertilizer Plant**” means the nitrogen fertilizer complex located on the Fertilizer Parcel owned and operated by Fertilizer Company, consisting of the Gasification Unit, the UAN Plant, the Ammonia Synthesis Loop, the Utility Facilities, storage and loading facilities, the Fertilizer Plant Water Clarifier and river access, the Grounds and related connecting pipes and improvements, which fertilizer manufacturing complex is connected to and associated with the BOC Facility and the Offsite Sulfur Recovery Unit, including any additions or other modifications made thereto from time to time and (without limitation) any fertilizer plant improvements, facilities and components on the Fertilizer Parcel as are shown on the Aerial.

“**Fertilizer Water Pipeline Easement Area**” is defined in [Section 2.3\(A\)](#) and is legally described on [Exhibit O](#).

“**Indemnitee**” is defined in [Section 6.1](#).

“**Indemnitor**” is defined in [Section 6.1](#).

“**Insuring Party**” is defined in [Section 4.12\(B\)](#).

“**Interconnect Points**” is defined in [Section 3.1](#).

“**Interconnect Points Drawing**” is defined in [Section 3.1](#) and attached as [Exhibit E](#).

“**Interconnect Points Easement**” is defined in [Section 3.2](#).

“**Losses**” is defined in [Section 6.1](#).

“**Mortgage**” is defined in [Section 4.13\(B\)](#).

“**Non-Performing Party**” is defined in [Section 4.6](#).

“**Original Cross Easement Agreement**” is defined in Recital 2.

“**Parcels**” is defined in Recital 1.

“**Party**” and “**Parties**” mean the parties to this Agreement.

“**Performing Party**” is defined in [Section 4.7](#).

“**Pipe Rack Easement**” is defined in [Section 2.3\(B\)](#).

“**Pipe Rack Easement Area**” is defined in [Section 2.3\(B\)](#) and is legally described on [Exhibit F](#).

“**Railroad Trackage Easement Area (Fertilizer Parcel)**” is defined in [Section 2.3\(G\)\(1\)](#) and is legally described on [Exhibit L](#).

“**Railroad Trackage Easement Area (Refinery Parcel)**” is defined in [Section 2.3\(G\)\(2\)](#) and is legally described on [Exhibit M](#).

“**Railroad Trackage Easement (Fertilizer Parcel)**” is defined in [Section 2.3\(G\)\(1\)](#).

“**Railroad Trackage Easement (Refinery Parcel)**” is defined in [Section 2.3\(G\)\(2\)](#).

“**Raw Water Agreement**” is defined in Recital 3.

“**Refinery**” means the petroleum refinery at Coffeyville, Kansas located on the Refinery Parcel and owned and operated by Refinery Company, including any additions or other modifications made thereto from time to time and (without limitation) any refinery plant improvements, components and facilities on the Refinery Parcel as are shown on the Aerial.

“**Refinery Company**” is defined in the preamble.

“**Refinery Parcel**” is defined in Recital 1 and is legally described on Exhibit B.

“**Refinery Shared Parking Area**” is defined in Section 2.3(H) and is legally described on Exhibit Q.

“**Service Agreements**” is defined in Recital 3.

“**Shared Pipeline Easement**” is defined in Section 2.2(B).

“**Shared Pipeline Easement Area**” is defined in Section 2.2(B) and is legally described on Exhibit D.

“**S/L Lease**” is defined in Section 4.13(B).

“**Sunflower Street Pipeline Crossing Easement Area (Fertilizer Parcel)**” is defined in Section 2.3(E)(1) and is legally described on Exhibit H.

“**Sunflower Street Pipeline Crossing Easement Area (Refinery Parcel)**” is defined in Section 2.3(E)(2) and is legally described on Exhibit I.

“**Sunflower Street Pipeline Crossing Easement (Fertilizer Parcel)**” is defined in Section 2.3(E)(1).

“**Sunflower Street Pipeline Crossing Easement (Refinery Parcel)**” is defined in Section 2.3(E)(2).

“**Temporary Construction / Maintenance Easements**” is defined in Section 2.2(E).

“**TKI Pipelines Easement**” is defined in Section 2.3(D).

“**Trackage Storage Area**” is shown on the Aerial.

“**Unavoidable Delay**” is defined in Section 4.6.

“**Water Rights Easement**” is defined in Section 2.3(A).

“**Work**” is defined in Section 2.2(E)(1).

## ARTICLE 2. GRANTS OF EASEMENTS

The Parties hereby grant to each other the following easements and rights of use, subject to the other provisions of this Agreement:



2.1 **Access Easements.**

(A) The term “**Access Areas**” as used in this Agreement shall mean the following portions of the Fertilizer Parcel and the Refinery Parcel, respectively, as the same may be located from time to time:

(1) All vehicular roadways, driveways and pathways on the Parcels, however surfaced, and all interior vehicular roadways across parking lot areas (except those portions thereof which may from time to time constitute a duly dedicated public roadway); and

(2) All sidewalks, walkways and other pathways providing pedestrian access to and across the Parcels.

(B) Fertilizer Company hereby grants to Refinery Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Refinery Parcel, for a term of fifty (50) years from the Effective Date hereof, a non-exclusive easement and right of use in the Access Areas located from time to time on the Fertilizer Parcel for pedestrian and vehicular access, ingress and egress, all in common with Fertilizer Company, as may be reasonably required for access, ingress and egress for the Refinery’s operations (the “**Access Easement (Fertilizer Parcel)**”).

(C) Reciprocally, Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel: (i) a perpetual, non-exclusive easement and right of use in the existing Access Areas on the Refinery Parcel for the purpose of pedestrian and vehicular ingress and egress to and from the Verdigris River, Fertilizer Company Clarifier Tract, the “Water Facilities” which are for the use of Fertilizer Company (as provided for and defined in the Raw Water Agreement) and the Fertilizer Water Pipeline Easement Area; and (ii) for a term of fifty (50) years from the Effective Date hereof, a non-exclusive easement and right of use in the other Access Areas located from time to time on the Refinery Parcel for pedestrian and vehicular access, ingress and egress, all in common with Refinery Company, as may be reasonably required for access, ingress and egress for the Fertilizer Plant operations (collectively, the “**Access Easements (Refinery Parcel)**”).

(D) The Parties agree that while neither Party, as grantor of the foregoing access easements, respectively, has any right or obligation to retain the existing Access Areas in their present configurations or locations (and may relocate, change or modify the Access Areas on its Parcel from time to time), each grantor Party shall provide at all times routes of vehicular and pedestrian access, ingress and egress across such Party’s respective Parcel to reasonably facilitate the other Party’s operations on its Parcel and exercise of its rights under this Agreement.

**2.2 Shared Pipeline Easement.**

(A) The Parties acknowledge that Fertilizer Company requires access to and rights of use in certain improvements and structures located on the Refinery Parcel (including, without limitation, pipelines, transmission lines and other conduits and equipment, to operate its Fertilizer Plant).

(B) Accordingly, in order to carry out the intent and provisions of each of the Service Agreements, Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, a non-exclusive easement and right of use in, to, over, under and across the "**Shared Pipeline Easement Area**", which land is legally described on Exhibit D attached hereto and is depicted on the Aerial, as required and necessary for implementation of the Service Agreements, which easement and right of use shall include, without limitation, the right to: (i) maintain, repair, inspect and replace all existing pipelines, transmission lines, equipment, and drainage facilities of Fertilizer Company now located in the Shared Pipeline Easement Area that are used in the operation of the Fertilizer Plant; and (ii) utilize each of the Interconnect Points therein (as defined in Section 3.1 below) (such easement and right of use being called the "**Shared Pipeline Easement**").

**(E) Temporary Construction / Maintenance Easements.**

(1) In connection with exercise of the foregoing Access Easements, the Shared Pipeline Easement and the Easements granted hereinafter in Section 2.3, each Party (a "**Constructing Party**") is hereby granted by the other Party a temporary construction and maintenance easement as needed from time to time to use necessary portions of the other Party's Parcel, as the servient estate under such Easement, in connection with:

(a) All construction activities as permitted under the applicable Easement;

(b) Inspecting, maintaining, repairing and replacing the Constructing Party's pipelines, transmission lines, conduits, equipment and other improvements; and

(c) The transportation and hauling of heavy vehicles, loads and equipment over any road within an Access Area of the other Party, in which case the Constructing Party may temporarily cap (with gravel, asphalt or other suitable, protective material) such road in order to prevent or mitigate damage thereby caused to such road. Notwithstanding anything to the contrary contained in this Agreement, any damage to any such road of a Party caused by such transportation and hauling by the Constructing Party shall be promptly repaired by the Constructing Party at its sole cost and expense.

The foregoing easements are collectively referred to herein as the “**Temporary Construction/ Maintenance Easements**”. Any and all activities described in Sections 2.2(E)(1)(a) and (b) are collectively referred to in this Section 2.2(E)(1) as “**Work**”.

(2) Within a reasonable time before it begins any Work, the Constructing Party shall provide reasonable prior notice (except in an emergency situation, in which case no prior notice is required, but instead the Constructing Party shall submit subsequent notice) to the other Party outlining those portions of the other Party’s Parcel in which the Temporary Construction/Maintenance Easement is needed, identifying the Work to be undertaken, and the estimated duration of such Work.

(3) When the Constructing Party ceases using the other Party’s Parcel for such Work, it must promptly restore such area to the condition in which it existed before the commencement of the Work within a reasonable period of time. This restoration Work shall include clearing the area of all loose dirt, debris, equipment and construction materials and the repair or replacement of equipment areas, equipment connections, utility services, paving, and landscaping and repairs and replacements to such other items as may be required to reasonably restore.

(4) The Constructing Party must also restore any portions of the other Party’s Parcel that may be damaged by its Work promptly upon the occurrence of such damage without delay.

(5) All Work shall be performed by the Constructing Party in a manner so as to avoid material interference with Fertilizer Plant and Refinery operations within such Easement Areas and on surrounding areas. At the completion of Work, a given Temporary Construction/ Maintenance Easement shall automatically be deemed terminated.

### 2.3 **Easements for Specific Operations.**

In addition to the foregoing Access Easements, Shared Pipeline Easement and Temporary Construction/Maintenance Easement grants, the Parties hereby grant the following additional easements for the specific operations designated therein:

(A) **Water Rights Easement.** In order to provide for the real property rights and interests necessary to effectuate the provisions of the Raw Water Agreement and to provide for the transportation of water from the Water Facilities (as defined in the Raw Water Agreement) into the Fertilizer Company’s Fertilizer Plant facilities located on the Fertilizer Parcel, Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel:

(i) A perpetual, non-exclusive easement in and right of use of: (a) the Refinery’s Water Intake Structure, River Water Pumps, other Water Facilities and equipment related thereto (all as defined and described in the Raw Water Agreement) to the extent provided in the Raw

Water Agreement; and (b) any existing water supply pipeline of Refinery Company (and related equipment) which carries raw water from the River Water Pumps (y) into pipelines of Fertilizer Company located on the Refinery Parcel that run to the tract of land owned by Fertilizer Company on which its clarifier is located, which tract of land is described on Exhibit N (“**Fertilizer Company Clarifier Tract**”) or (z) directly to the Fertilizer Company Clarifier Tract. Refinery Company hereby reserves the right to alter, relocate, expand or replace all of its herein described water supply equipment from time to time, so long as it continues to supply sufficient, uninterrupted water and pipeline service to Fertilizer Company pursuant to the terms of the Raw Water Agreement and as provided in clauses (a) and (b) above. The Parties acknowledge that such water supply equipment described in clause (a) presently provides the single source of water to both the Refinery and the Fertilizer Plant.

(ii) A perpetual, non-exclusive easement in and right of use of such portions of the Refinery Parcel on which the Fertilizer Company’s existing separate water supply pipelines are located that carry water from the “Y Intersection” (as defined in the Raw Water Agreement) to the Fertilizer Company Clarifier Tract and from the Fertilizer Company Clarifier Tract southerly across the Refinery Parcel onto the Fertilizer Parcel and into the Fertilizer Plant located thereon. The general location of the area of the Refinery Parcel in which such pipelines are located is shown on the Aerial and a general legal description of the area is attached hereto as Exhibit O (“**Fertilizer Water Pipeline Easement Area**”). Such easement includes a non-exclusive easement and right in favor of Fertilizer Company to operate, maintain, alter, relocate, repair and replace such water supply pipelines within the Fertilizer Water Pipeline Easement Area in a manner that does not materially interfere with the operation or use of the Refinery or any part thereof.

(iii) During the term of the Raw Water Agreement, the right of use, privilege and interest for Fertilizer Company, at any future time upon prior notice to, and reasonable coordination with Refinery Company so as to not materially impair any operations on the Refinery Parcel, to construct separate water facilities, as contemplated by the Raw Water Agreement, which separate water facilities may include, without limitation, a separate intake valve, water plant structure and associated water pumping equipment within the “**separate Raw Water pumping area**” generally depicted on the Aerial. Upon Fertilizer Company’s relocation of its existing water facilities and/or its construction of separate water facilities pursuant to the rights granted in this paragraph, the areas in which such separate water facilities are located (and any areas to connect such separate water facilities to the Verdigris River and to Refinery Company’s then-existing Water Intake Structure, River Water Pumps and Water Facilities as may then be reasonably necessary for the operation, alteration, maintenance, repair and replacement of Fertilizer Company’s separate water facilities), shall be automatically deemed additional Easement Areas pursuant to the terms of this Agreement and the easement granted in Section 2.3(A)(i)(a) shall terminate to the extent no longer required due to construction of such separate water facilities.

The foregoing easements and rights of use are collectively referred to herein as the “**Water Rights Easement**”.

(iv) **Raw Water Agreement.** The Raw Water Agreement contains various other rights, options, interests and obligations of the Parties in the event either Party elects to terminate the sharing of Water Facilities and Water Rights, all as more particularly set forth in the Raw Water Agreement.

(B) **Pipe Rack Easement.** Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, a perpetual, non-exclusive easement and right of use to operate and otherwise utilize for Fertilizer Plant operations, in common with Refinery Company, all existing pipe rack installations of Refinery Company (as such pipe rack installations may be altered, relocated, expanded or replaced from time to time by Refinery Company, at its sole cost, so long as comparable uninterrupted pipe rack service is provided to Fertilizer Company) located on that portion of the Refinery Parcel (the "**Pipe Rack Easement Area**" legally described on Exhibit E attached hereto and generally depicted on the Aerial (the "**Pipe Rack Easement**").

(C) **Coke Conveyor Belt Easement; Coke Haul Road Easement.** Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, perpetual, non-exclusive easements and rights of use in: (i) the "**Coke Conveyor Belt Easement Area**", legally described on Exhibit G attached hereto and generally depicted on the Aerial, for the construction, operation, repair, maintenance and replacement of a conveyor belt system for the transportation of coke and coke related materials to and from the Fertilizer Plant (the "**Coke Conveyor Belt Easement**"); and (ii) the "**Coke Haul Road Easement Area**", legally described on Exhibit P attached hereto and generally depicted on the Aerial, for the transportation of coke and coke related materials to and from the Fertilizer Plant over the existing roadways located thereon.

(D) **TKI Pipelines Easement.** In addition to the Shared Pipeline Easement granted to Fertilizer Company in Section 2.2(B) above, Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, a perpetual, non-exclusive easement and right of use to operate and otherwise utilize the existing TKI-dedicated pipelines and related pipeline equipment (as such pipelines and pipeline equipment may in the future be altered, relocated, expanded or replaced by Refinery Company, at its sole cost, so long as comparable uninterrupted TKI pipeline service is provided to Fertilizer Company) which traverse the Refinery Parcel and leads into the TKI sulphur plant, which plant is generally depicted on the Aerial (the "**TKI Pipelines Easement**").

(E) **Sunflower Street Pipeline Crossing Easements.**

(1) Fertilizer Company hereby grants to Refinery Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Refinery Parcel, a perpetual, non-exclusive easement in and right of use to operate and otherwise utilize for Refinery operations, in common with Fertilizer Company, all existing pipeline crossing and pipe rack equipment (both above and below-ground equipment, as such pipeline crossing and pipe rack equipment may be altered, relocated, expanded or replaced from time to time by Fertilizer

Company at its sole cost, so long as comparable uninterrupted pipeline crossing service is provided to Refinery Company) located on: (i) that portion of the Fertilizer Parcel (the “**Sunflower Street Pipeline Crossing Easement Area (Fertilizer Parcel)**”) legally described on Exhibit H attached hereto and generally depicted on the Aerial; and (ii) the portion of the public street right-of-way for Sunflower Street over which the subject pipeline crossings traverse but only to the extent Fertilizer Company has the legal right to grant such easement and right (collectively, the “**Sunflower Street Pipeline Crossing Easement (Fertilizer Parcel)**”).

(2) Reciprocally, Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, a perpetual, non-exclusive easement and right of use to operate and otherwise utilize for Fertilizer Plant operations, in common with Refinery Company, all existing pipeline crossing and pipe rack equipment (both above and below-ground equipment, as such pipeline crossing and pipe rack equipment may be altered, relocated, expanded or replaced from time to time by Refinery Company at its sole cost, so long as comparable, uninterrupted pipeline crossing service is provided to Fertilizer Company) located on: (i) that portion of the Refinery Parcel (the “**Sunflower Street Pipeline Crossing Easement Area (Refinery Parcel)**”) legally described on Exhibit I attached hereto and generally depicted on the Aerial; and (ii) the portion, if any, of the public street right-of-way for Sunflower Street over which the subject pipeline crossings traverse but only to the extent the Refinery Company has the legal right to grant such easement and right (collectively, the “**Sunflower Street Pipeline Crossing Easement (Refinery Parcel)**”).

(F) **East Tank Farm Easements.** Fertilizer Company hereby grants to Refinery Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Refinery Parcel, the following two easements:

(i) A perpetual, non-exclusive access, ingress and egress easement and right of use to traverse the roadway located on that portion of the Fertilizer Parcel (the “**East Tank Farm Roadway Area (Fertilizer Parcel)**”) legally described on Exhibit J attached hereto and generally depicted on the Aerial, for such pedestrian and vehicular access, ingress and egress as may be reasonably required for access, ingress and egress to that portion of the Refinery Parcel known as the “**East Tank Farm Area (Refinery Parcel)**” and legally described on Exhibit K attached hereto and generally depicted on the Aerial.

(ii) A perpetual, non-exclusive easement and right of use to maintain the existing underground pipelines and related equipment owned by Refinery Company and located underneath the East Tank Farm Roadway (Fertilizer Parcel) (as such pipelines and equipment may be altered, relocated, expanded or replaced from time to time by Refinery Company, at its sole cost and expense, but not so as to materially interfere with the use of the roadway on the East Tank Farm Roadway Area (Fertilizer Parcel)).

The foregoing easements are collectively referred to herein as the “**East Tank Farm Easements**”.

(G) **Railroad Trackage Easements.**

(1) In order to provide for the real property rights and interests necessary to effectuate the provisions of the Feedstock Agreement with regard to railroad track sharing, Fertilizer Company hereby grants to Refinery Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Refinery Parcel, a perpetual, non-exclusive easement in and right of use to access, operate (with the term, 'operate' being deemed to include the right to temporarily store railroad cars in accordance with commercially reasonable practices) and otherwise utilize for the receipt of feedstocks to, and delivery out of products, from the Refinery's operations, in common with Fertilizer Company, all existing railroad tracks and trackage equipment (as such railroad tracks and trackage equipment may be altered, relocated, expanded or replaced from time to time by Fertilizer Company, at its sole cost and expense, so long as comparable uninterrupted railroad trackage service is provided to Refinery Company) on that portion of the Fertilizer Parcel (the "**Railroad Trackage Easement Area (Fertilizer Parcel)**") legally described on Exhibit L attached hereto and generally depicted on the Aerial (the "**Railroad Trackage Easement (Fertilizer Parcel)**"). The Parties acknowledge that the Main Trackage (as defined in the Feedstock Agreement) within the subject Easement Area and in the Easement Area set forth in Section 2(G)(2) below is presently owned by Union Pacific Railroad Company and is operated by South Kansas & Oklahoma Railroad, Inc.

(2) Reciprocally, in order to provide for the real property rights and interests necessary to effectuate the provisions of the Feedstock Agreement with regard to railroad track sharing, Refinery Company hereby grants to Fertilizer Company, for use by its agents, employees, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, a perpetual, non-exclusive easement in and right of use to access, operate (which operations shall be deemed to include the right to temporarily store railroad cars in accordance with commercially reasonable operating practices) and otherwise utilize for the receipt of feedstocks to, and delivery out of products from the Fertilizer Plant's operations, in common with Refinery Company, all existing railroad tracks and trackage equipment (as such railroad tracks and trackage equipment may be altered, relocated, expanded or replaced from time to time by Refinery Company, at its sole cost and expense, so long as comparable uninterrupted railroad trackage service is provided to Fertilizer Company) on that portion of the Refinery Parcel (the "**Railroad Trackage Easement Area (Refinery Parcel)**") legally described on Exhibit M attached hereto and generally depicted on the Aerial (the "**Railroad Trackage Easement (Refinery Parcel)**"); provided, however, and notwithstanding the foregoing provisions of this Section 2.3(G)(2), Refinery Company hereby grants Fertilizer Company an additional perpetual, non-exclusive easement and right (the "**Trackage Storage Easement**") to use for railroad car storage in connection with Fertilizer Plant's operations seventy five percent (75%) of the trackage constructed in 2006 within the "**Trackage Storage Area**", and the Parties hereby agree to reasonably cooperate with each other so as to be able to access and move their respective railroad cars and equipment stored on the Trackage Storage Area.

(H) **Parking Easement.** Refinery Company hereby grants to Fertilizer Company, for use by its employees, agents, contractors, licensees and lessees, as an appurtenance to the Fertilizer Parcel, for a term of fifty (50) years from the Effective Date hereof, a non-exclusive

easement and right of use of the parking areas on the “**Refinery Shared Parking Area**” shown on the Aerial and legally described on Exhibit Q hereto for the parking of vehicles of Fertilizer Company and its employees, agents, employees, contractors, licensees and lessees, all in common with Refinery Company; provided, however, Refinery Company hereby agrees that no less than fifty (50) parking spaces on the Refinery Shared Parking Areas shall be exclusively available to Fertilizer Company at all times (the easement granted under this Section 2.3(H) is called the “**Parking Easement**”).

(I) **Construction Buffer Zone Easements**. Currently, Refinery Company is using a designated portion of the buffer zone area owned by Fertilizer Company (the “**Construction Buffer Zone Easement Area**”), which area is legally described on Exhibit R, for construction staging in connection with the construction of certain improvements on the Refinery Parcel (the “**Construction Buffer Zone Easement**”). It is agreed and understood that Fertilizer Company shall have the right to at any time terminate such use by Refinery Company upon giving no less than thirty (30) days prior written notice, and if such notice is so given, Refinery Company shall remove all of its equipment and other property within the Construction Buffer Zone Easement Area it is so using and shall restore such portion to the same condition as existed prior to Refinery Company’s entry for staging purposes. Should either Party in the future grant to the other Party the right to stage construction on its respective buffer zone area, then unless otherwise expressly agreed between the Parties in writing to the contrary, such right shall likewise be terminable by the granting party upon thirty (30) days prior notice and the removal and restoration covenants set forth above in this Section 2.3(I) shall apply.

(J) **Additional Easements**. In order for the Parties to provide any and all other real property easement interests and rights of use necessary to fully effectuate the purpose and intent of the Service Agreements and without limiting the foregoing grants of Easements and the Easements granted below in Article 3 for the Interconnect Points, each of the Parties hereby grants to the other Party, to the extent an easement therefor is not otherwise granted herein, non-exclusive easements over and across the granting Party’s Parcel for such purposes as may be reasonably necessary to carry out the purposes and intents of the Service Agreements (the “**Additional Easements**”).

### ARTICLE 3. INTERCONNECT POINTS AND EASEMENTS

3.1 **Interconnect Points: Definition**. There currently exist numerous pipelines, facilities and other production equipment which serve both the Fertilizer Plant and the Refinery or which provide for distribution of feedstocks between the Fertilizer Plant and Refinery and other uses and operations covered under the Services Agreements and which involve portions of both the Fertilizer Parcel and the Refinery Parcel. As used herein, the term “**Interconnect Points**” shall mean those designated points of demarcation of ownership and control for certain operations, equipment and facilities between the Fertilizer Plant and the Refinery located within the Shared Pipeline Easement Area, which points are depicted on the “**Interconnect Points Drawing**” attached hereto as Exhibit E. Fertilizer Company is hereby deemed to own such of its operations, equipment and facilities which are located at points beginning at the common



boundary of the Fertilizer Parcel and the Shared Pipeline Easement Area and which extend to and connect with the Interconnect Points located on the Refinery Parcel.

3.2 **Rights to Connect at Interconnect Points.** As generally provided for in the Shared Pipeline Easement granted in Section 2.2 of this Agreement, and in order to effectuate the provisions of the Service Agreements, particularly the provisions of the Feedstock Agreement, each of Fertilizer Company and Refinery Company is hereby granted a non-exclusive easement in and right of use to connect, at the Interconnect Points, to the operations, equipment and facilities of the other Party, with the attendant rights to access, inspect, maintain, repair and replace such operations, equipment and facilities (collectively, the “**Connection Purposes**”) (such easement and rights herein called the “**Interconnect Points Easement**”). The Interconnect Points Easement shall be deemed to cover all Interconnect Points, some of which are located on Parcel boundary lines and some of which are located within the interiors of the Parcels. Furthermore, the Interconnect Easement includes an easement and right for any and all existing incidental encroachments of facilities, equipment and other improvements onto the other Party’s Parcel and the right to access reasonably necessary portions of the other Party’s Parcel immediately adjacent to Interconnect Points for Connection Purposes, subject to the terms of the Temporary Construction/Maintenance Easement granted in Section 2.2(E) of this Agreement.

3.3 **Future Interconnect Points.** The Parties acknowledge that there may be a need for additional Interconnect Points in the future as may be mutually agreed upon between the Parties, and the Parties hereby agree that the provisions of Sections 3.1 and 3.2 shall apply with respect to such future Interconnect Points.

#### ARTICLE 4. EASEMENT PROVISIONS — GENERAL

4.1 **Collective Definition — Easements.** The foregoing easements granted in Articles 2 and 3 hereof are collectively referred to herein as the “**Easements**”, and each as an “**Easement**”, within the various areas set forth herein in which the Easements are located, which are collectively referred to herein as the “**Easement Areas**”, and each as an “**Easement Area**”.

#### 4.2 **Duration of Easements.**

(A) The duration of those Easements granted herein which are specified as being perpetual shall be perpetual (even though some of the Easements so specified as perpetual are also herein specifically stated as being for the purpose of carrying out one or more of the Service Agreements).

(B) Those Easements herein specifically stated as being granted to carry out the purposes and intent of one or more referenced Service Agreements (and not specifically stated to be perpetual or as being of a specific limited duration) shall be in effect concurrently with the term of such Service Agreement(s) and shall expire when the last of the Service Agreements to which such Easement pertains is no longer in effect pursuant to its terms.

(C) The duration of those Easements granted herein with a specified expiration date shall expire as of the date specified.

(D) All other Easements herein granted which do not fall within the provisions of Sections 4.2(A), (B) or (C) shall expire on the 50<sup>th</sup> anniversary of the Effective Date.

(E) Upon the expiration of an Easement, neither Party shall have any further liability under such Easement except as shall have arisen or accrued prior to such termination. Furthermore, an individual Easement granted herein shall be deemed terminated if such Easement is abandoned by a Party pursuant to applicable law. In the event that an Easement so expires or is deemed terminated as provided in this Section 4.2, upon the request of either Party, the Parties agree to execute a memorandum giving notice of such expiration or termination and to record such memorandum in the county real estate records.

4.3 **Reserved Rights; Modification of Easement Areas.** Each Party, as grantor, hereto reserves for itself the right from time to time to remove, relocate, expand, substitute and use, at its sole cost and expense, any building, improvement, structure, equipment, road, pipeline, curb cut, utility or other facility currently or hereafter existing on its Parcel within an applicable Easement Area; provided, however, that in no event shall the exercise of any of foregoing rights by a Party deprive or materially adversely affect or interfere with the use by the other Party hereto of the Easements herein granted to such other Party or the exercise of such other Party's rights thereunder.

4.4 **Service Agreements; Provision of Services.** The Parties intend that this Agreement and the Easements granted herein do not cover the specifics of the provision of the services (e.g., feedstock, coke, water, etc.) attendant to the purposes of the Easements. Instead, the Parties' agreements regarding the services themselves are detailed in the Service Agreements. Nothing in this Agreement shall be deemed to in any way modify, impair or otherwise limit the specific provisions or stated purposes of the Service Agreements.

4.5 **Maintenance — General.** With regard to those facilities, improvements and equipment of any kind, including pipelines, pipe racks and conduits, owned by a Party on its Parcel which are necessary to carry out the purposes of one or more Service Agreements or the Easements granted herein, Fertilizer Company and Refinery Company each agrees to maintain in good order and condition (with the term 'maintain', as used in this paragraph, hereby deemed inclusive of repairs and replacements, as necessary) at its sole cost and expense, those facilities, improvements and equipment located on its Parcel and owned by it. Each Party shall also maintain its facilities, equipment and other improvements up to the Interconnect Points therefor which are located from time to time on the other Party's Parcel. Notwithstanding the foregoing, neither Party has the obligation at any time to maintain facilities owned by the other Party, whether such facilities, equipment and other improvements are located on the other Party's Parcel or on a Party's own Parcel.

4.6 **Unavoidable Delay.** Neither Party shall be deemed to be in default in the performance of any obligation created under or pursuant to this Agreement, other than an

obligation requiring the execution of documents or the payment of money, if and so long as non-performance of such obligation shall be directly caused by fire or other casualty, national emergency, governmental or municipal law or restrictions, enemy action, civil commotion, strikes, lockouts, inability to obtain labor or materials, war or national defense preemptions, acts of God, energy shortages, or similar causes beyond the reasonable control of such Party (each, an "**Unavoidable Delay**"), and the time limit for such performance shall be extended for a period equal to the period of such Unavoidable Delay; provided, however, that the Party unable to perform (the "**Non-Performing Party**") shall notify the other Party in writing, of the existence and nature of any Unavoidable Delay, within ten (10) days after such other Party has notified the Non-Performing Party pursuant to the Agreement of its failure to perform. Thereafter, the Non-Performing Party shall, from time to time upon written request of the other Party, keep the other Party fully informed, in writing, of all further developments concerning the Unavoidable Delay and its non-performance.

4.7 **Right of Self-Help.** If a Non-Performing Party shall default in its performance of an obligation under this Agreement, the other Party, (the "**Performing Party**"), in addition to all other remedies such Performing Party may have at law or in equity, after fifteen (15) days' prior written notice to Non-Performing Party and to any First Mortgage holder of whose interest Performing Party has actual knowledge (or in the event of an emergency, after giving such notice as is practical under the circumstances), may (but shall not be obligated to) perform Non-Performing Party's obligation, in which case Non-Performing Party shall promptly reimburse Performing Party upon demand for: (a) all reasonable expenses, including, but not limited to, attorneys' fees, incurred by Performing Party to so perform the cure and to prepare on the outstanding amount thereof; and (b) interest thereon from the date of expenditure thereof (until the date) at a rate equal to the lesser of: (i) two percent (2%) per annum over the then-current prime commercial rate of interest as published by the Wall Street Journal (or if no longer published, a comparable rate of a nationally recognized publication designated by Performing Party); or (ii) the highest rate permitted by applicable law to be paid by Non-Performing Party.

4.8 **Safety Measures.** Each Party hereto in the exercise of any of the Easement rights and interests granted to it hereunder shall take all safety and precautionary measures necessary to protect the other Party hereto and its Parcel and the improvements thereon from any injury or damage caused by the exercise of such rights and interests.

4.9 **Compliance with Laws.** In all Work required of a Party or otherwise allowed under this Agreement, and in connection with all entries by one Party onto the other Party's Parcel permitted hereunder, each Party's Work, entries and related actions of any kind shall comply with all applicable requirements, administrative and judicial orders, laws, statutes, ordinances, rules and regulations of all federal, state, county, municipal and local departments, commissions, boards, bureaus, agencies and offices thereof having or claiming jurisdiction.

4.10 **Plant Security; Rules and Restrictions.** Each Party hereto may, from time to time and with advance notice to and reasonable coordination with the other Party, impose reasonable rules and restrictions with regard to use of the various Easements within its Parcel which are herein granted to the other Party, specifically including, without limitation, reasonable

security measures and restrictions which may be instituted from time to time by a Party within its Parcel; provided, however, that no rule or regulation imposed pursuant to this Section 4.10 shall materially interfere with a Party's ability as a grantee to effectively utilize an Easement granted in this Agreement.

4.11 **Temporary Closure of Easement Areas.** Each Party shall have the right from time to time and with advance notice to and reasonable coordination with the other Party (except in the event of an emergency, in which case advance notice need not be given) to temporarily close off and/or erect barriers across the Easement Areas located on its Parcel, as deemed reasonably necessary by the Party owning the servient Parcel under a given Easement, for the following purposes: (i) blocking off access to an area in order to avoid the possibility of dedicating the same for public use or creating prescriptive rights therein; and (ii) attending to security issues which threaten the industrial operations within an Easement Area. During the period of any such temporary closure, the Party taking the closing action shall use commercially reasonable efforts to provide to the other Party such continuous alternate access and usage rights as are provided in the applicable Easement.

4.12 **Insurance.**

(A) **Minimum Insurance.** During the term of the Feedstock Agreement, Refinery Company and Fertilizer Company shall each carry the minimum insurance described below.

(1) Workers' compensation with no less than the minimum limits as required by applicable law.

(2) Employer's liability insurance with not less than the following minimum limits:

- (i) Bodily injury by accident — \$1,000,000 each accident;
- (ii) Bodily injury by disease — \$1,000,000 each employee; and
- (iii) Bodily injury by disease — \$1,000,000 policy limit.

(3) Commercial general liability insurance on ISO form CG 00 01 10 93 or an equivalent form covering liability from premises, operations, independent contractor, property damage, bodily injury, personal injury, products, completed operations and liability assumed under an insured contract, all on an occurrence basis, with limits of liability of not less than \$1,000,000 combined single limits.

(4) Automobile liability insurance, on each and every unit of automobile equipment, whether owned, non-owned, hired, operated, or used by Refinery Company or Fertilizer Company or their employees, agents, contractors and/or their subcontractors covering injury, including death, and property damage, in an amount of not less than \$1,000,000 per accident.

(5) Excess liability insurance in the amount of \$10,000,000 covering the risks and in excess of the limits set forth in Section 4.12(A)(2), (3) and (4) above.

(B) Additional Insurance Requirements. Refinery Company and Fertilizer Company shall each abide by the following additional insurance requirements with respect to all insurance policies required by Section 4.2(A), as follows:

(1) All insurance policies purchased and maintained in compliance with Section 4.12(A)(3), (4) and (5) above by a Party (the "**Insuring Party**"), as well as any other excess and/or umbrella insurance policies maintained by the Insuring Party, shall name the other Party and their collective directors, officers, partners, members, managers, general partners, agents, and employees as additional insureds, with respect to any claims related to losses caused by the Insuring Party's business activities or premises. Those policies referred to in Section 4.12(A)(3) shall be endorsed to provide that the coverage provided by the Insuring Party's insurance carriers shall always be primary coverage and non-contributing with respect to any insurance carried by the other Party with respect to any claims related to liability or losses caused by the Insuring Party's business activities or premises.

(2) The policies referred to in Section 4.12(A) above shall be endorsed to provide that underwriters and insurance companies of each of Refinery Company and Fertilizer Company shall not have any right of subrogation against the other Party or any of such other Party's directors, officers, members, managers, general partners, agents, employees, contractors, subcontractors, or insurers.

(3) The policies referred to in Section 4.12(A) shall be endorsed to also provide that 30 days prior written notice shall be given to the other Party in the event of cancellation, non-payment of premium, or material change in the policies.

(4) Each of Refinery Company and Fertilizer Company shall furnish the other, prior to the commencement of any operations under this Agreement, with a certificate or certificates, properly executed by its insurance carrier(s), showing all the insurance described in Section 4.12(A) to be in full force and effect.

(5) The Refinery Company and Fertilizer Company shall each be responsible for its own property and business interruption insurance.

**4.13 Title Matters; Mortgage Subordination; and Subsequent Grants.**

(A) Except as provided in paragraph (B) of this Section 4.13, the Easements and rights granted hereunder are made subject to any and all prior existing easements, grants, leases, licenses, agreements, encumbrances, defects and other matters and states of fact affecting the Parcels, or any part thereof, as of the Effective Date whether or not of record and the rights of others with respect thereto. Each Party, as grantee under the each of various Easements, agrees to abide by the terms of all matters of public record and of which it otherwise has notice binding upon the other Party, as the owner of the servient Parcel pursuant to such Easement(s).

(B) The lien of any existing mortgage or deed of trust (a "**Mortgage**") on the Parcels has been subordinated to this Agreement pursuant to the Consent of Mortgage Holder pages attached hereto. The liens of any future Mortgages and the interest of any entity holding the

position of lessor on what is commonly referred to as a “sale-leaseback”, “synthetic lease”, or “lease-leaseback” transaction (“*S/L Lease*”) are also hereby automatically subordinated to this Agreement.

(C) Amendments and other modifications to this Agreement shall be considered an extension of the rights granted herein and shall remain superior to any future mortgage, deed of trust or other encumbrance placed upon the property or appearing in title prior to such amendment or modification. Each of Fertilizer Company and Refinery Company, in its role as grantor, as applicable, agrees to promptly execute such instruments as may be required to confirm such priority.

(D) Each Party hereto shall have the continuing right to grant easements and other rights and interests in and to, and permit uses of the Parcel owned by it in favor of and by such other parties as each Party may deem appropriate; provided, however, that any such easements, rights, interests and uses shall be subject to the terms of this Agreement and the terms of the Easements granted herein and shall not materially interfere with the grantee Party’s rights and usage of the Easements granted herein.

4.14 **Easement Appurtenant to Land under Common Ownership.** The Easements granted in this Agreement are appurtenant to the dominant estate Parcels as indicated herein and are also appurtenant to any land that may hereafter come into common ownership with the dominant estate Parcel thereunder which is contiguous thereto. Any areas physically separated from such dominant estate Parcel but having access thereto by means of a public right-of-way or a private easement (including the Easements granted herein) is deemed to be contiguous to such Parcel.

4.15 **Cooperation.** Each of the Parties acknowledges and agrees that upon reasonable request of the other, at the cost and expense of the requesting Party, each Party shall promptly and duly execute and deliver such reasonable documents and take such further reasonable action to acknowledge, confirm and effect the intent of, and actions described in, this Agreement and the Easements herein.

4.16 **Restoration.** If by reason of fire or other casualty, the improvements, pipelines, equipment or other facilities on a Party’s Parcel which serve or benefit the operations on the Parcel of the other Party as set forth in this Agreement or in any of the Service Agreements shall be damaged or destroyed and such Party shall not be obligated by this Agreement to repair or restore such damaged or destroyed improvements, pipeline, equipment or other facilities, then the other Party shall have the right to go on such Party’s Parcel and repair and restore the same at such other Party’s sole cost and expense, but the work undertaken in doing so shall be deemed “Work” and be subject to the provisions of Section 2.2(E)(2), (3), (4) and (5).

#### ARTICLE 5. DISPUTES

5.1 **Resolution of Disputes.** The Parties shall in good faith attempt to resolve promptly and amicably any dispute between the Parties arising out of or relating to this Agreement (each a “*Dispute*”) pursuant to this Article 5. The Parties shall first submit the

Dispute to a designated Fertilizer Company representative and Refinery Company representative, who shall then meet within fifteen (15) days to resolve the Dispute. If the Dispute has not been resolved within forty-five (45) days after the submission of the Dispute to such representatives, the Dispute shall be submitted to a mutually agreed non-binding mediation. The costs and expenses of the mediator shall be borne equally by the Parties, and the Parties shall pay their own respective attorneys' fees and other costs. If the Dispute is not resolved by mediation within ninety (90) days after the Dispute is first submitted to the Refinery Company representative and the Fertilizer Company representative as provided above, then the Parties may exercise all available remedies and file all actions and proceedings in connection therewith.

5.2 **Multi-Party Disputes.** The Parties acknowledge that they or their respective affiliates contemplate entering or have entered into various additional agreements with third parties that relate to the subject matter of this Agreement and that, as a consequence, Disputes may arise hereunder that involve such third parties. Accordingly, the Parties agree, with the consent of such third parties, that any such Dispute, to the extent feasible, shall be resolved by and among all the interested parties consistent with the provisions of this [Article 5](#).

#### ARTICLE 6. INDEMNIFICATION

6.1 **Indemnification Obligations.** To the extent not otherwise provided for in the Service Agreements, each of the Parties (each, an "**Indemnitor**") shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees (each, an "**Indemnitee**") harmless from and against all liabilities, obligations, claims, losses, damages, penalties, deficiencies, causes of action, costs and expenses, including, without limitation, attorneys' fees and expenses (collectively, "**Losses**") imposed upon, incurred by or asserted against the person seeking indemnification that are caused by, are attributable to, result from or arise out of the breach of this Agreement by the Indemnitor or the negligence or willful misconduct of the Indemnitor, or of any officers, directors, members, managers, employees, agents, contractors and/or subcontractors acting for or on behalf of the Indemnitor. Any indemnification obligation pursuant to this [Article 6](#) with respect to any particular Losses shall be reduced by all amounts actually recovered by the Indemnitee from third parties, or from applicable insurance coverage, with respect to such Losses. Upon making any payment to any Indemnitee, the Indemnitor shall be subrogated to all rights of the Indemnitee against any third party in respect of the Losses to which such payment relates, and such Indemnitee shall execute upon request all instruments reasonably necessary to evidence and perfect such subrogation rights. If the Indemnitee receives any amounts from any third party or under applicable insurance coverage subsequent to an indemnification payment by the Indemnitor, then such Indemnitee shall promptly reimburse the Indemnitor for any payment made or expense incurred by such Indemnitor in connection with providing such indemnification payment up to the amount received by the Indemnitee, net of any expenses incurred by such Indemnitee in collecting such amount.

#### 6.2 **Indemnification Procedures.**

(A) Promptly after receipt by an Indemnitee of notice of the commencement of any action that may result in a claim for indemnification pursuant to this [Article 6](#), the Indemnitee

shall notify the Indemnitor in writing within thirty (30) days thereafter; provided, however, that any omission to so notify the Indemnitor will not relieve it of any liability for indemnification hereunder as to the particular item for which indemnification may then be sought (except to the extent that the failure to give notice shall have been materially prejudicial to the Indemnitor) nor from any other liability that it may have to any Indemnitee. The Indemnitor shall have the right to assume sole and exclusive control of the defense of any claim for indemnification pursuant to this Article 6, including the choice and direction of any legal counsel.

(B) An Indemnitee shall have the right to engage separate legal counsel in any action as to which indemnification may be sought under any provision of this Agreement and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless: (i) the Indemnitor has agreed in writing to pay such fees and expenses; (ii) the Indemnitor has failed to assume the defense thereof and engage legal counsel within a reasonable period of time after being given the notice required above; or (iii) the Indemnitee shall have been advised by its legal counsel that representation of such Indemnitee and other parties by the same legal counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same legal counsel has been proposed) due to actual or potential conflicts of interests between them. It is understood, however, that to the extent more than one Indemnitee is entitled to engage separate legal counsel at the Indemnitor's expense pursuant to clause (iii) above, the Indemnitor shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnitees having the same or substantially similar claims against the Indemnitor, unless but only to the extent the Indemnitees have actual or potential conflicting interests with each other.

(C) The Indemnitor shall not be liable for any settlement of any action effected without its written consent, but if settled with such written consent, or if there is a final judgment against the Indemnitee in any such action, the Indemnitor agrees to indemnify and hold harmless the Indemnitee to the extent provided above from and against any loss, claim, damage, liability or expense by reason of such settlement or judgment.

6.3 **Survival.** The provisions of this Article 6 shall survive the termination of this Agreement.

6.4 **Service Agreements Indemnification.** Notwithstanding anything to the contrary set forth above in Section 6.1, (i) the intent of the Parties with regard to indemnification matters under this Agreement is that they are not duplicative of the indemnification obligations set forth in the Service Agreements; and (ii) to the extent an indemnity matter is otherwise covered by a Service Agreement, the Service Agreement indemnification obligation shall govern and control, and this Article 6 shall have no force or effect with respect to that particular indemnity matter. The indemnification obligations hereunder shall not under any circumstance be deemed to create overlapping or duplicative indemnification obligations for the Parties.



#### **ARTICLE 7. FINANCING REQUIREMENTS**

If, in connection with either Party obtaining financing for its respective Parcel, a banking, insurance or other recognized institutional lender shall request any modification(s) to this Agreement as a condition to such financing, the Parties covenant and agree to make such modifications to this Agreement as reasonably requested by such financing party (including the creation of such instrument (in recordable form to the extent required)) provided that such modification(s) do not increase the obligations or reduce the rights of the Parties or adversely (other than in a de minimis respect) affect the Easement interests, rights and privileges granted herein, the Parties' rights under the Service Agreements, or either Party's right to otherwise improve, construct, use, operate and maintain its respective Parcel and the improvements, equipment and facilities thereon.

#### **ARTICLE 8. NO LIENS OR ENCUMBRANCES**

Each of the Parties, in its role as a grantee, hereby covenants that it shall not, as a result of any act or omission of, directly or indirectly, create, incur, assume or suffer to exist any liens on or with respect to its respective Easement interests and rights of use in the Fertilizer Parcel or the Refinery Parcel, respectively, if such lien shall have or may gain superiority over this Agreement. Each Party shall promptly notify the other Party of the imposition of any such liens not permitted above of which it is aware and shall promptly, at its own expense, take such action as may be necessary to immediately fully discharge or release any such lien of record by payment, bond or otherwise (but this shall not preclude a contest of such lien so long as the same shall be removed of record).

#### **ARTICLE 9. SUCCESSORS AND ASSIGNS; TRANSFER OF INTERESTS**

This Agreement shall extend to and be binding upon the Parties hereto, their successors, grantees and assigns. Any party who shall succeed to the fee simple ownership interest in a Parcel shall, at the time of such transfer, be automatically deemed to have assumed all obligations of the transferring Party under this Agreement with regard to such Parcel, and the transferring Party shall be released from all obligations of such Party under this Agreement which arise after the date of such transfer; provided, however, that a transferring Party shall retain liability for all obligations under this Agreement which arose prior to the transfer date.

#### **ARTICLE 10. NOTICES**

All notices, requests, correspondence, information, consents and other communications to either of the Parties required or permitted under this Agreement shall be in writing and shall be given by personal service or by facsimile, overnight courier service, or certified mail with postage prepaid, return receipt requested, properly addressed to such Party and shall be effective upon receipt. For purposes hereof, the proper address of the Parties will be the address stated beneath the corresponding Party's name below, or at the most recent address given to the other Party hereto by notice in accordance with this Article 10:

If to Refinery Company, to:

Coffeyville Resources Refining  
& Marketing, LLC  
400 N. Linden St., P.O. Box 1566  
Coffeyville, Kansas 67337  
Attention: Executive Vice President  
Refining Operations  
Facsimile: (620) 251-1456

With a copy to:

Edmund S. Gross  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

If to Fertilizer Company, to:

Coffeyville Resources Nitrogen  
Fertilizers, LLC  
701 E. Martin St., P.O. Box 5000  
Coffeyville, Kansas 67337  
Attention: Executive Vice President and  
Fertilizer General Manager  
Facsimile: (620) 252-4357

With a copy to:

Edmund S. Gross  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

or such other addresses as either Party designates by registered or certified mail addressed to the other Party.

#### ARTICLE 11. GOVERNING LAW AND VENUE

THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SAID STATE. THE PARTIES AGREE THAT ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT MAY BE MAINTAINED IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF KANSAS, AND EACH PARTY AGREES TO SUBMIT PERSONALLY TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY WAIVES THE DEFENSES OF FORUM NON-CONVENIENS OR IMPROPER VENUE WITH RESPECT TO ANY ACTION BROUGHT IN ANY SUCH COURT IN CONNECTION WITH THIS AGREEMENT.

#### ARTICLE 12. MISCELLANEOUS

12.1 **Running of Benefits and Burdens.** All provisions of this Agreement, including the benefits and burdens set forth herein with respect to the Fertilizer Parcel and the Refinery Parcel, respectively, shall run with the land.

12.2 **No Prescriptive Rights or Adverse Possession.** Each Party agrees that its past, present, or future use of its respective Easement interests and rights of usage granted herein shall not be deemed to permit the creation or further the existence of prescriptive easement rights or

the procurement of title by adverse possession with respect to all or any portion of either Party's Parcel.

12.3 **Costs of Performance.** It is the general intent and agreement of the Parties that, except as otherwise expressly provided in this Agreement, Fertilizer Company shall pay the costs of performing its obligations and exercising its rights hereunder, and Refinery Company shall pay the costs of performing its obligations and exercising its rights hereunder.

12.4 **Headings.** The headings used in this Agreement are for convenience only and shall not constitute a part of this Agreement.

12.5 **No Joint Venture.** The Parties acknowledge and agree that neither Party, by reason of this Agreement, shall be an agent, employee or representative of the other with respect to any matters relating to this Agreement, unless specifically provided to the contrary in writing by the other Party. This Agreement shall not be deemed to create a partnership or joint venture of any kind between Refinery Company and Fertilizer Company.

12.6 **Attorneys' Fees.** If suit is brought to enforce this Agreement, the prevailing Party in such action shall be, unless precluded by law, entitled to recover its litigation expenses from the other Party, including its reasonable attorneys' fees and costs.

12.7 **Amendments.** This Agreement may not be amended, modified or waived except by a writing signed by all Parties to this Agreement that specifically references this Agreement and specifically provides for an amendment, modification or waiver of this Agreement.

12.8 **Construction and Severability.** Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and in accordance with industry standards and not strictly for or against either Party. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

12.9 **No Waiver.** The waiver by either Party of any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition contained in this Agreement. No term, covenant or condition of this Agreement will be deemed to have been waived unless such waiver is in writing.

12.10 **Third-Party Beneficiaries.** Except as expressly provided herein, none of the provisions of this Agreement are intended for the benefit of any person except the Parties and their respective successors and assigns.

12.11 **Entire Agreement.** This Agreement, including all Exhibits hereto, together with the Service Agreements, constitutes the entire, integrated agreement between the Parties

regarding the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties, whether written or oral.

12.12 **Counterparts.** This Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

12.13 **Exhibits.** Attached hereto and forming a part of this Agreement by this reference are the following Exhibits:

**EXHIBIT A** — Legal Description of the Fertilizer Parcel

**EXHIBIT B** — Legal Description of the Refinery Parcel

**EXHIBIT C** — Aerial

**EXHIBIT D** — Legal Description of Shared Pipeline Easement Area

**EXHIBIT E** — Interconnect Points Drawing

**EXHIBIT F** — Legal Description of Area for Pipe Rack Easement Area

**EXHIBIT G** — Legal Description of Coke Conveyor Belt Easement Area

**EXHIBIT H** — Legal Description of Sunflower Street Pipeline Crossing Easement Area (Fertilizer Parcel)

**EXHIBIT I** — Legal Description of Sunflower Street Pipeline Crossing Easement Area (Refinery Parcel)

**EXHIBIT J** — Legal Description of East Tank Farm Roadway Area (Fertilizer Parcel)

**EXHIBIT K** — Legal Description of East Tank Farm Area (Refinery Parcel)

**EXHIBIT L** — Legal Description of Railroad Trackage Easement Area (Fertilizer Parcel)

**EXHIBIT M** — Legal Description of Railroad Trackage Easement Area (Refinery Parcel)

**EXHIBIT N** — Legal Description of Fertilizer Company Clarifier Tract

**EXHIBIT O** — Fertilizer Water Pipeline Easement Area

**EXHIBIT P** — Legal Description of Coke Haul Road

**EXHIBIT Q** — Legal Description of Refinery Shared Parking Area

**EXHIBIT R** — Legal Description of Construction Buffer Zone Easement Area





**Consent of Mortgage Holder**

Fertilizer Parcel

The undersigned, being the holder of that certain mortgage, \_\_\_\_\_, dated \_\_\_\_\_ and recorded on \_\_\_\_\_ in Book \_\_\_\_\_ at Page \_\_\_\_\_, which mortgage covers the property described on Exhibit A, hereby consents to the foregoing Agreement and subordinates the lien of its mortgage to the terms and provisions herein.

\_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

ss:

On this \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_ of \_\_\_\_\_, known to me to be the person who executed the foregoing instrument in behalf of said \_\_\_\_\_ and acknowledged to me that he/she executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year last above written.

\_\_\_\_\_  
Notary Public:

(Notarial Seal)

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

\_\_\_\_\_





**EXHIBIT A**  
Legal Description of the Fertilizer Parcel

NEW NITROGEN UNIT (PARCELS 2, 3, 4, 7, 8, 8A & 9)

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE, PART OF MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY, AND PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1007.15 FEET TO THE TRUE POINT OF BEGINNING; THENCE S00°00'00"E A DISTANCE OF 304.05 FEET; THENCE S88°14'41"E A DISTANCE OF 158.79 FEET; THENCE S00°00'00"E A DISTANCE OF 6.77 FEET; THENCE N90°00'00"E A DISTANCE OF 25.00 FEET; THENCE N00°00'00"W A DISTANCE OF 6.00 FEET; THENCE S88°14'40"E A DISTANCE OF 245.71 FEET; THENCE S12°15'53"E A DISTANCE OF 11.77 FEET; THENCE S82°32'25"E A DISTANCE OF 43.08 FEET; THENCE S00°00'00"E A DISTANCE OF 33.41 FEET; THENCE S90°00'00"W A DISTANCE OF 14.72 FEET; THENCE S86°44'02"W A DISTANCE OF 368.60 FEET; THENCE S00°00'00"E A DISTANCE OF 25.00 FEET; THENCE N90°00'00"E A DISTANCE OF 20.00 FEET; THENCE S00°31'37"E A DISTANCE OF 197.51 FEET; THENCE N90°00'00"E A DISTANCE OF 165.00 FEET; THENCE S00°00'00"E A DISTANCE OF 24.03 FEET; THENCE N90°00'00"E A DISTANCE OF 249.97 FEET; THENCE N00°00'00"W A DISTANCE OF 18.64 FEET; THENCE N90°00'00"E A DISTANCE OF 51.39 FEET; THENCE S00°00'00"E A DISTANCE OF 15.00 FEET; THENCE N90°00'00"E A DISTANCE OF 56.01 FEET; THENCE S00°00'00"E A DISTANCE OF 169.40 FEET; THENCE N89°00'00"W A DISTANCE OF 636.08 FEET; THENCE S00°00'00"E A DISTANCE OF 377.30 FEET TO THE CENTERLINE OF MARTIN STREET; THENCE N89°14'03"W ALONG SAID CENTERLINE A DISTANCE OF 60.59 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, N89°22'21"W A DISTANCE OF 608.53 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, N89°29'08"W A DISTANCE OF 40.11 FEET TO THE CENTERLINE OF PINE STREET; THENCE S00°00'14"W ALONG THE CENTERLINE OF SAID PINE STREET A DISTANCE OF 35.18 FEET; THENCE N89°33'26"W A DISTANCE OF 40.15 FEET TO THE NE CORNER OF BLOCK 6 OF SAID MONTGOMERY'S ADDITION; THENCE N89°13'09"W ALONG THE NORTH LINE OF SAID BLOCK 6 A DISTANCE OF 399.88 FEET TO THE NW CORNER OF SAID BLOCK 6; THENCE N89°05'43"W A DISTANCE OF 79.80 FEET TO THE NE CORNER OF BLOCK 5 OF SAID MONTGOMERY'S ADDITION; THENCE N00°08'24"E A DISTANCE OF 69.57 FEET TO THE SE CORNER OF BLOCK 10 OF SAID MONTGOMERY'S ADDITION; THENCE N00°00'00"W A DISTANCE OF 277.85 FEET TO THE SOUTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N15°00'43"W A DISTANCE OF 104.03 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N30°29'51"W A DISTANCE OF 20.00

FEET; THENCE N59°30'09"E A DISTANCE OF 465.00 FEET; THENCE S30°29'51"E A DISTANCE OF 20.00 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09"E ALONG SAID NORTHERLY LINE A DISTANCE OF 32.23 FEET; THENCE S00°01'28"E A DISTANCE OF 276.43 FEET; THENCE N90°00'00"E A DISTANCE OF 365.00 FEET; THENCE N00°00'00"W A DISTANCE OF 491.48 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09"E ALONG SAID NORTHERLY LINE A DISTANCE OF 536.40 FEET TO THE POINT OF BEGINNING.

AND

"LOADING DOCK"

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE AND A PART OF THE NE/4 OF SECTION 36, T34S, R16E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NE CORNER OF THE NE/4 OF SAID SECTION 36; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 316.23 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD; THENCE S59°30'09"W ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 34.82 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE S00°00'00"E ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 1148.43 FEET; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, S00°05'12"E A DISTANCE OF 60.63 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, S00°05'12"E A DISTANCE OF 12.01 FEET TO THE NE CORNER OF BLOCK 12 OF SAID COFFEYVILLE HEIGHTS ADDITION; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE AND THE EAST LINE OF SAID BLOCK 12, S00°00'48"W A DISTANCE OF 267.47 FEET; THENCE LEAVING SAID WEST RIGHT-OF-WAY LINE AND THE EAST LINE OF SAID BLOCK 12, N38°21'27"W A DISTANCE OF 131.96 FEET; THENCE N00°00'00"W A DISTANCE OF 176.00 FEET; THENCE N90°00'00"E A DISTANCE OF 81.94 FEET TO THE POINT OF BEGINNING.

AND

"CLARIFIER TRACT"

A PART OF THE SE/4 OF SECTION 25, T34S, R16E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE SE CORNER OF SAID SE/4; THENCE ON AN ASSUMED BEARING OF N00°22'55"E ALONG THE EAST LINE OF SAID SE/4 A DISTANCE OF 1285.62 FEET; THENCE S90°00'00"W A DISTANCE OF 1774.69 FEET TO THE TRUE POINT OF BEGINNING; THENCE N76°25'09"W A DISTANCE OF 25.41 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF THE A.T.&S.F. RAILROAD; THENCE N13°34'51"E ALONG SAID EASTERLY RIGHT-OF-

WAY LINE A DISTANCE OF 298.51 FEET; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE, S67°00'00"E A DISTANCE OF 101.78 FEET; THENCE S18°00'36"W A DISTANCE OF 62.14 FEET; THENCE S11°06'08"E A DISTANCE OF 70.97 FEET; THENCE SOUTHWESTERLY ON A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 450.00 FEET AND A CENTRAL ANGLE OF 23°41'14" A DISTANCE OF 186.04 FEET TO THE POINT OF BEGINNING.

AND

NEW FERTILIZER STORAGE AREA (PARCELS 6 & 10)

A PART OF THE NW/4 OF SECTION 31, T34S, R17E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NW CORNER OF SAID NW/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE WEST LINE OF SAID NW/4 A DISTANCE OF 1013.07 FEET TO THE SW CORNER OF THE NORTH 75 ACRES OF LOTS 2 AND 3 OF SAID SECTION 31; THENCE S86°24'15"E ALONG THE SOUTH LINE OF SAID NORTH 75 ACRES OF LOTS 2 AND 3 A DISTANCE OF 30.06 FEET TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTH LINE OF SAID NORTH 75 ACRES OF LOTS 2 AND 3, S86°24'15"E A DISTANCE OF 3049.00 FEET MORE OR LESS TO THE CENTERLINE OF THE VERDIGRIS RIVER; THENCE ALONG THE APPROXIMATE CENTERLINE OF SAID VERDIGRIS RIVER THE FOLLOWING COURSES: S15°13'05"W A DISTANCE OF 90.34 FEET; THENCE S03°03'48"W A DISTANCE OF 488.35 FEET; THENCE LEAVING SAID CENTERLINE OF THE VERDIGRIS RIVER S89°44'00"W A DISTANCE OF 2993.22 FEET MORE OR LESS TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE N00°00'00"W A DISTANCE OF 779.98 FEET TO THE POINT OF BEGINNING.

**EXHIBIT B**

Legal Description of the Refinery Parcel

TRACT EAST OF SUNFLOWER STREET

ALL OF LOTS 2, 3, 4 AND 5, SECTION 31, T34S, R17E, MONTGOMERY COUNTY, KANSAS, LYING WEST OF THE CENTERLINE OF THE VERDIGRIS RIVER, EXCEPT THE FOLLOWING DESCRIBED TRACTS: THE NORTH 75 ACRES OF SAID LOTS 2 AND 3; AND EXCEPT A TRACT COMMENCING AT THE SOUTHWEST CORNER OF LOT 4, THENCE NORTH 400 FEET, THENCE EAST 425 FEET, THENCE SOUTH APPROXIMATELY 420 FEET (426.46' MEASURED) TO THE SOUTH BOUNDARY OF SAID LOT 4, THENCE WEST (425.82' MEASURED) TO THE PLACE OF BEGINNING; AND EXCEPT A TRACT DESCRIBED AS FOLLOWS IN A GENERAL WARRANTY DEED DATED JULY 1, 1976, FROM GEORGE W. MULLER AND FERRIS M. MULLER, HUSBAND AND WIFE, TO CRA, INC., RECORDED IN BOOK 353 OF DEEDS, PAGE 19: COMMENCING AT A POINT 538 FEET SOUTH OF THE NORTHWEST CORNER OF LOT 4, SECTION 31, TOWNSHIP 34 SOUTH, RANGE 17 EAST IN THE PRESENT WEST FENCE LINE OF SAID LOT 4, THENCE SOUTH 75 FEET ALONG SAID FENCE, THENCE EAST 20 FEET, THENCE NORTH 75 FEET, THENCE WEST 20 FEET TO THE POINT OF BEGINNING; AND EXCEPT A TRACT DESCRIBED AS FOLLOWS IN SAID LAST-MENTIONED GENERAL WARRANTY DEED: COMMENCING IN CENTER OF VERDIGRIS RIVER 21 RODS NORTH OF SOUTH LINE OF SAID LOT 5, THENCE WEST AND SOUTHWESTERLY ALONG LEFT BANK OF RAVINE 33 FEET FROM CENTER OF RAVINE TO SOUTH LINE OF LOT 5, THENCE EAST ALONG SOUTH LINE OF LOT 5 TO CENTER OF VERDIGRIS RIVER, UP RIVER TO BEGINNING.

AND EXCEPT:

"FERTILIZER STORAGE"

A PART OF THE NW/4 OF SECTION 31, T34S, R17E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NW CORNER OF SAID NW/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE WEST LINE OF SAID NW/4 A DISTANCE OF 1013.07 FEET TO THE SW CORNER OF THE NORTH 75 ACRES OF LOTS 2 AND 3 OF SAID SECTION 31; THENCE S86°24'15"E ALONG THE SOUTH LINE OF SAID NORTH 75 ACRES OF LOTS 2 AND 3 A DISTANCE OF 30.06 FEET TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTH LINE OF SAID NORTH 75 ACRES OF LOTS 2 AND 3, S86°24'15"E A DISTANCE OF 3049.00 FEET MORE OR LESS TO THE CENTERLINE OF THE VERDIGRIS RIVER; THENCE ALONG THE APPROXIMATE CENTERLINE OF SAID VERDIGRIS RIVER THE FOLLOWING COURSES: S15°13'05"W A DISTANCE OF 90.34 FEET; THENCE S03°03'48"W A DISTANCE OF 488.35 FEET; THENCE LEAVING SAID CENTERLINE OF THE VERDIGRIS RIVER S89°44'00"W A DISTANCE OF 2993.22 FEET MORE OR LESS TO

THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE N00°00'00"W A DISTANCE OF 779.98 FEET TO THE POINT OF BEGINNING.

TRACT NORTH OF FORMER UNION PACIFIC RAILROAD

ALL THAT PART OF THE SE/4 OF SECTION 25, TOWNSHIP 34, RANGE 16 EAST OF THE 6TH P.M., LYING WEST OF THE WESTERLY RIGHT-OF-WAY LINE AND NORTH OF THE NORTHERLY RIGHT-OF-WAY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD, EXCEPT 3 ACRES IN THE NORTHWEST CORNER AS EXCEPTED FROM A GENERAL WARRANTY DEED DATED AUGUST 23, 1951, FROM R.L. EDWARDS AND MILDRED EDWARDS, HUSBAND AND WIFE, TO THE COOPERATIVE REFINERY ASSOCIATION, RECORDED IN BOOK 245 OF DEEDS, PAGE 586, IN THE REGISTER OF DEEDS OFFICE OF MONTGOMERY COUNTY, KANSAS.

AND

ALL THAT PART OF THE E/2 OF SECTION 25 AND ALL THAT PART OF THE NE/4 OF SECTION 36 LYING EAST OF THE EASTERLY RIGHT-OF-WAY LINE OF THE ATCHISON, TOPEKA AND SANTE FE RAILROAD AND NORTH OF THE NORTHERLY RIGHT-OF-WAY LINE OF THE FORMER MISSOURI-KANSAS-TEXAS RAILROAD (NOW UNION PACIFIC RAILROAD), ALL IN TOWNSHIP 34, RANGE 16, MONTGOMERY COUNTY, KANSAS.

AND EXCEPT:

A PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 563.00 FEET; THENCE N90°00'00"W A DISTANCE OF 1992.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE N84°14'00"W A DISTANCE OF 100.00 FEET; THENCE N05°46'00"E A DISTANCE OF 50.00 FEET; THENCE S84°14'00"E A DISTANCE OF 100.00 FEET; THENCE S05°46'00"W A DISTANCE OF 50.00 FEET TO THE POINT OF BEGINNING.

AND EXCEPT THAT PART DESCRIBED AS FOLLOWS:

"CLARIFIER TRACT"

A PART OF THE SE/4 OF SECTION 25, T34S, R16E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE SE CORNER OF SAID SE/4; THENCE ON AN ASSUMED BEARING OF N00°22'55"E ALONG THE EAST LINE OF SAID SE/4 A DISTANCE OF 1285.62 FEET; THENCE S90°00'00"W A DISTANCE OF 1774.69 FEET TO THE TRUE POINT OF BEGINNING; THENCE N76°25'09"W A

DISTANCE OF 25.41 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF THE A.T.&S.F. RAILROAD; THENCE N13°34'51"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 298.51 FEET; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE, S67°00'00"E A DISTANCE OF 101.78 FEET; THENCE S18°00'36"W A DISTANCE OF 62.14 FEET; THENCE S11°06'08"E A DISTANCE OF 70.97 FEET; THENCE SOUTHWESTERLY ON A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 450.00 FEET AND A CENTRAL ANGLE OF 23°41'14" A DISTANCE OF 186.04 FEET TO THE POINT OF BEGINNING.

TRACT SOUTH OF FORMER UNION PACIFIC RAILROAD AND NORTH OF MARTIN STREET

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE, PART OF MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, AND PART OF THE NE/4 OF SECTION 36, T34S, R16E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NE CORNER OF THE NE/4 OF SAID SECTION 36; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 316.23 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD; THENCE S59°30'09"W ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 34.82 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET THE FOLLOWING BEARINGS AND DISTANCES: THENCE S00°00'00"E A DISTANCE OF 1148.43 FEET; THENCE S00°05'12"E A DISTANCE OF 72.64 FEET; THENCE S00°00'48"E A DISTANCE OF 300.00 FEET TO THE NORTH RIGHT-OF-WAY LINE OF MARTIN STREET; THENCE N89°11'00"W ALONG SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 439.35 FEET TO THE WEST RIGHT-OF-WAY LINE OF ASH STREET; THENCE S02°06'58"E ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 35.21 FEET TO THE CENTER OF MARTIN STREET; THENCE ALONG THE CENTER OF SAID MARTIN STREET THE FOLLOWING BEARINGS AND DISTANCES: THENCE N89°13'34"W A DISTANCE OF 399.88 FEET; THENCE N89°14'03"W A DISTANCE OF 60.59 FEET; THENCE N89°22'21"W A DISTANCE OF 608.53 FEET; THENCE N89°29'08"W A DISTANCE OF 40.11 FEET TO THE CENTERLINE OF PINE STREET; THENCE S00°00'14"W ALONG THE CENTERLINE OF SAID PINE STREET A DISTANCE OF 35.18 FEET; THENCE N89°33'26"W A DISTANCE OF 40.15 FEET TO THE NE CORNER OF BLOCK 6 OF SAID MONTGOMERY'S ADDITION; THENCE N89°13'09"W ALONG THE NORTH LINE OF SAID BLOCK 6 A DISTANCE OF 399.88 FEET TO THE NW CORNER OF SAID BLOCK 6; THENCE N89°05'43"W A DISTANCE OF 79.80 FEET TO THE NE CORNER OF BLOCK 5 OF SAID MONTGOMERY'S ADDITION; THENCE N00°08'24"E A DISTANCE OF 34.78 FEET TO THE CENTERLINE OF SAID MARTIN STREET; THENCE N89°13'15"W ALONG SAID CENTERLINE A DISTANCE OF 200.14 FEET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 2, BLOCK 10, OF SAID MONTGOMERY'S ADDITION; THENCE LEAVING THE CENTERLINE OF SAID MARTIN STREET, N00°22'34"E ALONG THE EXTENSION OF AND THE EAST LINE OF SAID LOT 2 A DISTANCE OF

163.74 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID UNION PACIFIC RAILROAD; THENCE NORTHEASTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 1500.00 FEET AND A CENTRAL ANGLE OF 10°30'27", A DISTANCE OF 275.09 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, N59°30'09"E A DISTANCE OF 2370.80 FEET TO THE POINT OF BEGINNING.

AND

ALL THAT PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY LYING WEST OF THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND LYING EAST OF THE EASTERLY RIGHT-OF-WAY LINE OF THE A.T.&S.F. RAILROAD IN THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST OF THE 6TH P.M., MONTGOMERY COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF THE FORMER UNION PACIFIC RAILROAD; THENCE S59°30'09"W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 34.82 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING S59°30'09"W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 2429.70 FEET; THENCE SOUTHWESTERLY ON A CURVE TO THE LEFT HAVING A RADIUS OF 1600.00 FEET, A CHORD WHICH BEARS S49°43'27"W, A CHORD DISTANCE OF 543.47 FEET AND AN ARC LENGTH OF 546.12 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF THE A.T.&S.F. RAILROAD; THENCE S13°34'51"W ALONG SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 269.10 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF THE FORMER UNION PACIFIC RAILROAD; THENCE ON A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 1500.00 FEET, A CHORD WHICH BEARS N45°05'58"E, A CHORD DISTANCE OF 746.22 FEET AND AN ARC LENGTH OF 754.14 FEET; THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE N59°30'09"E A DISTANCE OF 2370.80 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE N00°00'00"E ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 116.06 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE FOLLOWING TRACTS OF LAND:

"LOADING DOCK"

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE AND A PART OF THE NE/4 OF SECTION 36, T34S, R16E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NE CORNER OF THE NE/4 OF SAID SECTION 36; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 316.23 FEET TO THE

SOUTHERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD; THENCE S59°30'09"W ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 34.82 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE S00°00'00"E ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 1148.43 FEET; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, S00°05'12"E A DISTANCE OF 60.63 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, S00°05'12"E A DISTANCE OF 12.01 FEET TO THE NE CORNER OF BLOCK 12 OF SAID COFFEYVILLE HEIGHTS ADDITION; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE AND THE EAST LINE OF SAID BLOCK 12, S00°00'48"W A DISTANCE OF 267.47 FEET; THENCE LEAVING SAID WEST RIGHT-OF-WAY LINE AND THE EAST LINE OF SAID BLOCK 12, N38°21'27"W A DISTANCE OF 131.96 FEET; THENCE N00°00'00"W A DISTANCE OF 176.00 FEET; THENCE N90°00'00"E A DISTANCE OF 81.94 FEET TO THE POINT OF BEGINNING.

"NEW NITROGEN UNIT"

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE, PART OF MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY, AND PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1007.15 FEET TO THE TRUE POINT OF BEGINNING; THENCE S00°00'00"E A DISTANCE OF 304.05 FEET; THENCE S88°14'41"E A DISTANCE OF 158.79 FEET; THENCE S00°00'00"E A DISTANCE OF 6.77 FEET; THENCE N90°00'00"E A DISTANCE OF 25.00 FEET; THENCE N00°00'00"W A DISTANCE OF 6.00 FEET; THENCE S88°14'40"E A DISTANCE OF 245.71 FEET; THENCE S12°15'53"E A DISTANCE OF 11.77 FEET; THENCE S82°32'25"E A DISTANCE OF 43.08 FEET; THENCE S00°00'00"E A DISTANCE OF 33.41 FEET; THENCE S90°00'00"W A DISTANCE OF 14.72 FEET; THENCE S86°44'02"W A DISTANCE OF 368.60 FEET; THENCE S00°00'00"E A DISTANCE OF 25.00 FEET; THENCE N90°00'00"E A DISTANCE OF 20.00 FEET; THENCE S00°31'37"E A DISTANCE OF 197.51 FEET; THENCE N90°00'00"E A DISTANCE OF 165.00 FEET; THENCE S00°00'00"E A DISTANCE OF 24.03 FEET; THENCE N90°00'00"E A DISTANCE OF 249.97 FEET; THENCE N00°00'00"W A DISTANCE OF 18.64 FEET; THENCE N90°00'00"E A DISTANCE OF 51.39 FEET; THENCE S00°00'00"E A DISTANCE OF 15.00 FEET; THENCE N90°00'00"E A DISTANCE OF 56.01 FEET; THENCE S00°00'00"E A DISTANCE OF 169.40 FEET; THENCE N89°00'00"W A DISTANCE OF 636.08 FEET; THENCE S00°00'00"E A DISTANCE OF 377.30 FEET TO THE CENTERLINE OF MARTIN STREET; THENCE N89°14'03"W ALONG SAID CENTERLINE A DISTANCE OF 60.59 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, N89°22'21"W A DISTANCE OF 608.53 FEET; THENCE CONTINUING ALONG SAID CENTERLINE, N89°29'08"W A DISTANCE OF 40.11 FEET



TO THE CENTERLINE OF PINE STREET; THENCE S00°00'14"W ALONG THE CENTERLINE OF SAID PINE STREET A DISTANCE OF 35.18 FEET; THENCE N89°33'26"W A DISTANCE OF 40.15 FEET TO THE NE CORNER OF BLOCK 6 OF SAID MONTGOMERY'S ADDITION; THENCE N89°13'09"W ALONG THE NORTH LINE OF SAID BLOCK 6 A DISTANCE OF 399.88 FEET TO THE NW CORNER OF SAID BLOCK 6; THENCE N89°05'43"W A DISTANCE OF 79.80 FEET TO THE NE CORNER OF BLOCK 5 OF SAID MONTGOMERY'S ADDITION; THENCE N00°08'24"E A DISTANCE OF 69.57 FEET TO THE SE CORNER OF BLOCK 10 OF SAID MONTGOMERY'S ADDITION; THENCE N00°00'00"W A DISTANCE OF 277.85 FEET TO THE SOUTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N15°00'43"W A DISTANCE OF 104.03 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N30°29'51"W A DISTANCE OF 20.00 FEET; THENCE N59°30'09"E A DISTANCE OF 465.00 FEET; THENCE S30°29'51"E A DISTANCE OF 20.00 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09"E ALONG SAID NORTHERLY LINE A DISTANCE OF 32.23 FEET; THENCE S00°01'28"E A DISTANCE OF 276.43 FEET; THENCE N90°00'00"E A DISTANCE OF 365.00 FEET; THENCE N00°00'00"W A DISTANCE OF 491.48 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09"E ALONG SAID NORTHERLY LINE A DISTANCE OF 536.40 FEET TO THE POINT OF BEGINNING.

**EXHIBIT C**

Aerial

*[See attached.]*

C-1

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**EXHIBIT D**

Legal Description of Shared Pipeline Easement Area

A PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1494.58 FEET TO THE TRUE POINT OF BEGINNING; THENCE N00°00'00"W A DISTANCE OF 82.60 FEET; THENCE S90°00'00"W A DISTANCE OF 51.00 FEET; THENCE S00°00'00"E A DISTANCE OF 20.50 FEET; THENCE N90°00'00"E A DISTANCE OF 20.00 FEET; THENCE S00°00'00"E A DISTANCE OF 80.36 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09"E ALONG SAID NORTH LINE A DISTANCE OF 35.98 FEET TO THE POINT OF BEGINNING.

**EXHIBIT E**

Interconnect Points Drawing

E-1

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**EXHIBIT F**

Legal Description of Area for Pipe Rack Easement Area

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE AND A PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF NE/4 A DISTANCE OF 1364.58 FEET; THENCE S90°00'00"W A DISTANCE OF 30.00 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE S00°00'00"E ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 117.75 FEET; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE S00°05'12"E A DISTANCE OF 60.63 FEET; THENCE S90°00'00"W A DISTANCE OF 438.45 FEET; THENCE N00°00'00"W A DISTANCE OF 34.79 FEET; THENCE S89°00'00"E A DISTANCE OF 236.57 FEET; THENCE N00°00'00"W A DISTANCE OF 87.72 FEET; THENCE N90°00'00"E A DISTANCE OF 171.82 FEET; THENCE N00°00'00"W A DISTANCE OF 60.00 FEET; THENCE N90°00'00"E A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING.

**EXHIBIT G**

Legal Description of Coke Conveyor Belt Easement Area

A PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY AND PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1543.55 FEET; THENCE S00°00'00"E A DISTANCE OF 195.69 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING S00°00'00"E A DISTANCE OF 31.57 FEET; THENCE S71°51'39"W A DISTANCE OF 384.15 FEET; THENCE N00°01'28"W A DISTANCE OF 31.56 FEET; THENCE N71°51'39"E A DISTANCE OF 384.17 FEET TO THE POINT OF BEGINNING.

AND

A PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1543.55 FEET; THENCE S00°00'00"E A DISTANCE OF 310.27 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING S00°00'00"E A DISTANCE OF 72.41 FEET; THENCE S24°28'25"W A DISTANCE OF 119.53 FEET; THENCE S90°00'00"W A DISTANCE OF 32.96 FEET; THENCE N24°28'25"E A DISTANCE OF 199.10 FEET TO THE POINT OF BEGINNING.

**EXHIBIT H**

Legal Description of Sunflower Street Pipeline Crossing Easement Area (Fertilizer Parcel)

A PART OF THE NW/4 OF SECTION 31, T34S, R17E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID NW/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE WEST LINE OF SAID NW/4 A DISTANCE OF 1364.58 FEET TO THE TRUE POINT OF BEGINNING; THENCE N90°00'00"E A DISTANCE OF 30.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE S00°00'00"E ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 178.38 FEET; THENCE S90°00'00"W A DISTANCE OF 30.00 FEET TO THE WEST LINE OF SAID NW/4; THENCE N00°00'00"W ALONG SAID WEST LINE A DISTANCE OF 178.38 FEET TO THE POINT OF BEGINNING.

**EXHIBIT I**

Legal Description of Sunflower Street Pipeline Crossing Easement Area (Refinery Parcel)

A PART OF COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE AND A PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF NE/4 A DISTANCE OF 1364.58 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING S00°00'00"E ALONG SAID EAST LINE A DISTANCE OF 178.38 FEET; THENCE S90°00'00"W A DISTANCE OF 29.91 FEET TO THE WEST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE N00°05'12"W ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 60.63 FEET; THENCE CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE N00°00'00"W A DISTANCE OF 117.75 FEET; THENCE N90°00'00"E A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING.



**EXHIBIT J**

Legal Description of East Tank Farm Roadway Area (Fertilizer Parcel).

A PART OF THE NW/4 OF SECTION 31, T34S, R17E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID NW/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE WEST LINE OF SAID NW/4 A DISTANCE OF 1767.00 FEET; THENCE N90°00'00"E A DISTANCE OF 30.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE N90°00'00"E A DISTANCE OF 1120.00 FEET; THENCE N88°35'26"E A DISTANCE OF 914.89 FEET; THENCE S00°00'00"E A DISTANCE OF 25.00 FEET; THENCE S89°44'00"W A DISTANCE OF 2035.00 FEET TO SAID EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE N00°00'00"E ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 27.93 FEET TO THE POINT OF BEGINNING.

**EXHIBIT K**

Legal Description of East Tank Farm Area (Refinery Parcel)

A PART OF THE NW/4 OF SECTION 31, T34S, R17E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID NW/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE WEST LINE OF SAID NW/4 A DISTANCE OF 1364.58 FEET; THENCE N90°00'00"E A DISTANCE OF 30.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING N90°00'00"E A DISTANCE OF 75.00 FEET; THENCE S00°00'00"E A DISTANCE OF 430.00 FEET; THENCE S89°44'00"W A DISTANCE OF 75.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF SUNFLOWER STREET; THENCE N00°00'00"W ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 430.35 FEET TO THE POINT OF BEGINNING.

**EXHIBIT L**

Legal Description of Railroad Trackage Easement Area (Fertilizer Parcel)

PARCEL 8

A PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY IN THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00" E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09" W ALONG SAID NORTHERLY LINE A DISTANCE OF 1967.29 FEET TO THE TRUE POINT OF BEGINNING; THENCE S00°01'28" E A DISTANCE OF 116.03 FEET TO THE SOUTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09" W ALONG SAID SOUTHERLY LINE A DISTANCE OF 438.39 FEET; THENCE SOUTHWESTERLY ON A CURVE TO THE LEFT HAVING A RADIUS OF 1500.00 FEET, A CHORD WHICH BEARS S58°58'19" W, A CHORD DISTANCE OF 27.78 FEET AND AN ARC LENGTH OF 27.78 FEET; THENCE N15°00'43" W A DISTANCE OF 104.03 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09" E ALONG SAID NORTHERLY LINE A DISTANCE OF 497.23 FEET TO THE POINT OF BEGINNING.

AND

PARCEL 9

A PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY IN THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00" E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09" W ALONG SAID NORTHERLY LINE A DISTANCE OF 1007.15 FEET TO THE TRUE POINT OF BEGINNING; THENCE S00°00'00" E A DISTANCE OF 116.06 FEET TO THE SOUTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09" W ALONG SAID SOUTHERLY LINE A DISTANCE OF 536.40 FEET; THENCE N00°00'00" W A DISTANCE OF 116.06 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09" E ALONG SAID NORTHERLY LINE A DISTANCE OF 536.40 FEET TO THE POINT OF BEGINNING.

**EXHIBIT M**

Legal Description of Railroad Trackage Easement Area (Refinery Parcel)

A PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY IN THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 2464.52 FEET TO THE TRUE POINT OF BEGINNING; THENCE S15°00'43"E A DISTANCE OF 104.03 FEET TO THE SOUTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE ALONG SAID SOUTHERLY LINE ON A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1500.00 FEET, A CHORD WHICH BEARS S44°34'08"W, A CHORD DISTANCE OF 719.29 FEET AND AN ARC LENGTH OF 726.36 FEET TO THE EASTERLY LINE OF THE A.T.&S.F. RAILROAD RIGHT-OF-WAY; THENCE N13°34'51"E ALONG SAID EASTERLY LINE A DISTANCE OF 269.10 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE ON A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 1600.00 FEET, A CHORD WHICH BEARS N49°43'27"E, A CHORD DISTANCE OF 543.47 FEET AND AN ARC LENGTH OF 546.12 FEET TO THE POINT OF BEGINNING.

AND

A PART OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY IN THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1543.55 FEET TO THE TRUE POINT OF BEGINNING; THENCE S00°00'00"E A DISTANCE OF 116.06 FEET TO THE SOUTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 423.68 FEET; THENCE N00°01'28"W A DISTANCE OF 116.03 FEET TO SAID NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE N59°30'09"E ALONG SAID NORTHERLY LINE A DISTANCE OF 423.74 FEET TO THE POINT OF BEGINNING.

**EXHIBIT N**

Legal Description of Fertilizer Company Clarifier Tract

A PART OF THE SE/4 OF SECTION 25, T34S, R16E, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE SE CORNER OF SAID SE/4; THENCE ON AN ASSUMED BEARING OF N00°22'55"E ALONG THE EAST LINE OF SAID SE/4 A DISTANCE OF 1285.62 FEET; THENCE S90°00'00"W A DISTANCE OF 1774.69 FEET TO THE TRUE POINT OF BEGINNING; THENCE N76°25'09"W A DISTANCE OF 25.41 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF THE A.T.&S.F. RAILROAD; THENCE N13°34'51"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 298.51 FEET; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE, S67°00'00"E A DISTANCE OF 101.78 FEET; THENCE S18°00'36"W A DISTANCE OF 62.14 FEET; THENCE S11°06'08"E A DISTANCE OF 70.97 FEET; THENCE SOUTHWESTERLY ON A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 450.00 FEET AND A CENTRAL ANGLE OF 23°41'14" A DISTANCE OF 186.04 FEET TO THE POINT OF BEGINNING.

**EXHIBIT O**

Legal Description of Fertilizer Water Pipeline Easement Area

A 15.00 FEET WIDE WATERLINE EASEMENT IN PART OF THE SE/4 OF SECTION 25 AND PART OF THE NE/4 OF SECTION 36, ALL IN TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, THE CENTERLINE OF SAID EASEMENT DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4 OF SECTION 36; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 OF SECTION 36 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1511.96 FEET TO THE TRUE POINT OF BEGINNING OF SAID CENTERLINE; THENCE N00°00'00"W A DISTANCE OF 89.44 FEET; THENCE S90°00'00"W A DISTANCE OF 26.00 FEET; THENCE N01°43'52"E A DISTANCE OF 156.82 FEET; THENCE N22°41'07"E A DISTANCE OF 103.61 FEET; THENCE N00°46'08"E A DISTANCE OF 155.84 FEET; THENCE N89°50'42"W A DISTANCE OF 60.12 FEET; THENCE N00°23'50"E A DISTANCE OF 104.00 FEET; THENCE S89°26'05"E A DISTANCE OF 262.50 FEET; THENCE N00°33'55"E A DISTANCE OF 111.00 FEET; THENCE N89°26'05"W A DISTANCE OF 56.50 FEET; THENCE N00°33'55"E A DISTANCE OF 359.35 FEET; THENCE S89°26'05"E A DISTANCE OF 23.01 FEET; THENCE N06°42'59"E A DISTANCE OF 207.51 FEET; THENCE S84°30'54"E A DISTANCE OF 8.00 FEET; THENCE N06°33'18"E A DISTANCE OF 280.54 FEET; THENCE S83°49'05"E A DISTANCE OF 14.50 FEET; THENCE N05°54'52"E A DISTANCE OF 341.96 FEET; THENCE N82°58'38"W A DISTANCE OF 16.55 FEET; THENCE N06°29'35"E A DISTANCE OF 402.81 FEET; THENCE N84°58'42"W A DISTANCE OF 229.39 FEET; THENCE N65°07'03"W A DISTANCE OF 177.14 FEET; THENCE N69°37'43"W A DISTANCE OF 70.47 FEET; THENCE S78°34'08"W A DISTANCE OF 39.02 FEET; THENCE N55°44'37"W A DISTANCE OF 72.09 FEET; THENCE S78°53'48"W A DISTANCE OF 125.30 FEET TO THE TERMINUS OF SAID CENTERLINE.

AND

A 15.00 FEET WIDE WATERLINE EASEMENT IN PART OF THE SE/4 OF SECTION 25, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, THE CENTERLINE OF SAID EASEMENT DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SE/4; THENCE ON AN ASSUMED BEARING OF N00°22'55"E ALONG THE EAST LINE OF SAID SE/4 A DISTANCE OF 1285.62 FEET; THENCE S90°00'00"W A DISTANCE OF 1774.69 FEET; THENCE NORTHEASTERLY ON A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 450.00 FEET, A CHORD WHICH BEARS N46°17'51"E, A CHORD DISTANCE OF 184.72 FEET AND AN ARC LENGTH OF 186.04 FEET; THENCE N11°06'08"W A DISTANCE OF 70.97 FEET; THENCE N18°00'36"E A DISTANCE OF 62.14 FEET; THENCE N67°00'00"W A DISTANCE OF 7.82 FEET TO THE TRUE POINT OF BEGINNING OF SAID

CENTERLINE; THENCE N01°33'06"E A DISTANCE OF 199.38 FEET TO THE TERMINUS OF SAID CENTERLINE.

**EXHIBIT P**

Legal Description of Coke Haul Road

A PART OF THE NE/4 OF SECTION 36, TOWNSHIP 34 SOUTH, RANGE 16 EAST, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID NE/4; THENCE ON AN ASSUMED BEARING OF S00°00'00"E ALONG THE EAST LINE OF SAID NE/4 A DISTANCE OF 200.17 FEET TO THE NORTHERLY LINE OF THE FORMER UNION PACIFIC RAILROAD RIGHT-OF-WAY; THENCE S59°30'09"W ALONG SAID NORTHERLY LINE A DISTANCE OF 1999.52 FEET; THENCE N30°29'51"W A DISTANCE OF 20.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE S59°30'09"W A DISTANCE OF 167.41 FEET; THENCE N13°52'53"E A DISTANCE OF 162.82 FEET; THENCE S84°33'01"E A DISTANCE OF 36.48 FEET; THENCE N05°26'59"E A DISTANCE OF 135.92 FEET; THENCE S84°33'01"E A DISTANCE OF 25.00 FEET; THENCE S05°26'59"W A DISTANCE OF 135.92 FEET; THENCE S84°33'01"E A DISTANCE OF 35.47 FEET; THENCE S07°39'48"E A DISTANCE OF 64.30 FEET TO THE POINT OF BEGINNING.



**EXHIBIT Q**

Legal Description of Refinery Shared Parking Area

All of Block 14, COFFEYVILLE HEIGHTS ADDITION to the City of Coffeyville, Montgomery County, Kansas.

**EXHIBIT R**

Legal Description of Construction Buffer Zone Easement Area

LOTS 1 THROUGH 8 INCLUSIVE, BLOCK 1, MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS AND THE VACATED ALLEY LYING SOUTH OF LOTS 1 THROUGH 4 AND NORTH OF LOTS 5 THROUGH 8, BLOCK 1, MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS, ESTABLISHED BY VACATION ORDINANCE FILED IN BOOK 466, PAGE 61.

AND

LOTS 1, 2, 3, 14, 15 AND 16, BLOCK 2, MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS AND THE EAST 120 FEET OF THE VACATED ALLEY IN BLOCK 2, ESTABLISHED BY VACATION ORDINANCE FILED IN BOOK 466, PAGE 61.

AND

LOTS 6, 7 AND 8, BLOCK 7, MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS.

AND

LOTS 9, 10, 11, 12, 13, 14, 15 AND 16, BLOCK 15, COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS.

AND

LOTS 1 THROUGH 16 INCLUSIVE, BLOCK 16, COFFEYVILLE HEIGHTS ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS, AND THE WEST 212 FEET OF THE VACATED ALLEY THEREIN, ESTABLISHED BY VACATION ORDINANCE FILED IN BOOK 466, PAGE 61.

**ENVIRONMENTAL AGREEMENT**

**THIS ENVIRONMENTAL AGREEMENT** is entered into and effective as of the 25th day of October, 2007, by and between Coffeyville Resources Refining & Marketing, LLC, a Delaware limited liability company ("**Refinery Company**"), and Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company ("**Fertilizer Company**"), referred to collectively as the "**Parties**".

**RECITALS**

Refinery Company owns and operates the petroleum refinery located at Coffeyville, Kansas, which refinery is shown on Exhibit A hereto (including any additions or other modifications made thereto from time to time, the "**Refinery**").

Fertilizer Company owns and operates the nitrogen fertilizer complex located adjacent to the Refinery consisting of the Gasification Unit, the UAN Plant, the Ammonia Synthesis Loop, the Utility Facilities, storage and loading facilities, the Fertilizer Plant Water Clarifier and river access, the Grounds and related connecting pipes and improvements, which fertilizer manufacturing complex is connected to and associated with the BOC Facility and the Offsite Sulfur Recovery Unit, all of which are shown on Exhibit A hereto (including any additions or other modifications made thereto from time to time, the "**Fertilizer Plant**").

Fertilizer Company and Refinery Company desire to enter into this Agreement for the provision of certain indemnification and access rights in connection with environmental matters affecting the Refinery and the Fertilizer Plant, and certain other related matters, all upon the terms and subject to the conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements, representations and warranties herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE 1****DEFINITIONS**

The following terms shall have the meanings set forth below, unless the context otherwise dictates, both for purposes of this Agreement and all Exhibits hereto:

"**Accessed Property**" means either the Refinery Company Property or the Fertilizer Company Property that is to be accessed pursuant to Article 7 of this Agreement in connection with the performance of Environmental Activities.

"**Agreement**" means this Environmental Agreement and the Exhibits hereto, all as the same may be amended, modified or supplemented from time to time.

"**BOC**" means BOC Group, Inc., a Delaware corporation.

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**“BOC Agreement”** means that certain Amended and Restated On-Site Project Supply Agreement between Fertilizer Company and BOC, dated June 1, 2005.

**“BOC Facility”** means the plant for the production of certain products and argon, including metering and related facilities, together with an inter-connected liquid nitrogen product storage vessel and vaporization equipment, as shown on Exhibit A hereto, all connected to the pipelines owned by BOC, including any additions or other modifications made thereto from time to time.

**“Claim”** means any written request by an Indemnitee relating to an indemnifiable matter (as established in Article 2 of this Agreement), demand, cause of action, proceeding, or suit for damages, injuries to person or property, damages to natural resources, fines, penalties, liability, interest, or losses or for the costs of site investigations, feasibility studies, information requests, health assessments, contribution settlement actions to correct, remove, remediate, response to, clean up, prevent, mitigate, monitor, evaluate, assess or abate the release of a Hazardous Material, or to enforce insurance contribution or indemnification agreements regarding the same.

**“Coke”** has the meaning given such term in the Coke Supply Agreement.

**“Coke Supply Agreement”** means the Coke Supply Agreement dated as of the date hereof between the Parties.

**“Commingled Environmental Liability”** means any liability resulting from contamination associated with activities and operations of the Fertilizer Company that overlays, underlays, intersects, is juxtaposed to, or is otherwise commingled with any contamination associated with activities and operations of the Refinery Company.

**“Comprehensive Coke Management Plan”** means the Comprehensive Coke Management Plan between Refinery Company and Fertilizer Company that will be finalized within ninety (90) days following execution of this Agreement, as amended from time to time.

**“Contaminating Party”** means the Party that caused contamination on the property of the Owner Party.

**“Cross Contamination”** means contamination caused by or associated with activities and operations of the Contaminating Party that is on or affecting Owner Party’s Property.

**“Dispute”** has the meaning given such term in Article 3.

**“Effective Date”** means the date first above written.

**“Environmental Activities”** means any investigation or remediation activity carried out in compliance with any Environmental Law or under any work plan or order complying with or enforcing any Environmental Law, and any activity in response to a release of a Hazardous Material.

**“Environmental Law”** means all applicable federal, state, local and foreign laws, statutes, ordinances, codes, rules, standards and regulations, now or hereafter in effect, and in each case as

amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative order, consent decree, order or judgment, imposing liability or standards of conduct for or relating to the regulation and protection of human health, safety, the environment and natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation). Environmental Laws include the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.) (“CERCLA”); the Hazardous Materials Transportation Authorization Act of 1994 (49 U.S.C. §§ 5101 et seq.) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §§ 136 et seq.) the Solid Waste Disposal Act (42 U.S.C. §§ 6901 et seq.) the Toxic Substance Control Act (15 U.S.C. §§ 2601 et seq.) the Clean Air Act (42 U.S.C. §§ 7401 et seq.) the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.) the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.) and the Safe Drinking Water Act (42 U.S.C. §§ 300(f) et seq.), each as from time to time amended, and any and all regulations promulgated thereunder, and all analogous state, local and foreign counterparts or equivalents and any transfer of ownership notification or approval statutes.

“**Environmental Liabilities**” means with respect to any Person, all liabilities, obligations, responsibilities, response, remedial and removal costs, investigation and feasibility study costs, capital costs, operation and maintenance costs, losses, damages, punitive damages, property damages, natural resource damages, consequential damages, treble damages, costs and expenses (including all fees, disbursements and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest incurred as a result of or related to any claim, suit, action, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, provided they arise under or are related to any Environmental Laws, Environmental Permits, or are connected with any Release or presence of a Hazardous Material whether on, at, in, under, from or about the Property.

“**Environmental Permits**” means all permits, licenses, authorizations, certificates, approvals or registrations required by any Government Authority under any Environmental Laws.

“**Environmental Site Information**” means existing and future documentation and investigative results relating to environmental conditions at the respective properties including, but not limited to, Phase I and Phase II Environmental Site Assessments, environmental audits, and correspondence, notices of violation, orders and determinations by any Government Authority.

“**Farmland**” means Farmland Industries, Inc., a Kansas cooperative corporation.

“**Feedstock Agreement**” means the Feedstock and Shared Services Agreement dated as of the date hereof between the Parties.

“**Fertilizer Plant**” has the meaning given such term in the Recitals.

“**Fertilizer Company**” has the meaning given such term in the introductory paragraph.

**"Fertilizer Company Property"** means all property owned or leased by the Fertilizer Company as shown on Exhibit A.

**"Fertilizer Company Representative"** means the plant manager of the Fertilizer Plant or such other person as is designated in writing by Fertilizer Company.

**"Fertilizer Plant Water Clarifier"** means the Fertilizer Company's water clarifier and associated equipment as shown on Exhibit A.

**"Gasification Unit"** means that gasification unit shown on Exhibit A, including any additions or other modifications made thereto from time to time.

**"Government Authority"** means any nation or government, any state or other political subdivision thereof, and any agency, department or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

**"Grounds"** means the realty on which the Fertilizer Plant is situated, which Grounds are shown on Exhibit A.

**"Hazardous Materials"** means any substance, material or waste which is regulated by or forms the basis of liability now or hereafter under, any Environmental Laws, including any material or substance which is (a) defined as a "solid waste," "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "pollutant," "contaminant," "hazardous constituent," "special waste," "toxic substance" or other similar term or phrase under any Environmental Laws, (b) petroleum or any fraction or by-product thereof, asbestos, polychlorinated biphenyls (PCB's), or any radioactive substance.

**"Known Contamination Map"** means the map that has been mutually agreed upon by the Parties and is based on Environmental Site Information that documents and identifies all existing, known Cross Contamination on Refinery Company Property and Fertilizer Company Property that is or has been subject to Government Authority-mandated Environmental Activities. The Known Contamination Map may be periodically updated and amended based on currently ongoing, Government Authority-mandated Environmental Activities associated with existing, known contamination.

**"Manage"** means to generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of, or abandon Hazardous Materials.

**"Offsite Sulfur Recovery Unit"** means that sulfur processing facility owned and operated by TKI pursuant to the TKI Phase II Agreement, which Offsite Sulfur Recovery Unit is shown on Exhibit A, including any additions or other modifications made thereto from time to time.

**"Owner Party"** means the Party that owns the property that is affected by contamination caused by the Contaminating Party or that is otherwise subject to Environmental Activities.

**"Party"** and **"Parties"** means the parties to this Agreement.

“**Person**” means and includes natural persons, corporations, limited partners, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities.

“**Planned Project Work**” means Owner Party’s work on Owner Party’s Property associated with a planned and approved capital improvement project, the purpose of which is not primarily related to Environmental Activities.

“**Refinery**” has the meaning given such term in the Recitals hereto.

“**Refinery Company**” has the meaning given such term in the introductory paragraph.

“**Refinery Company Property**” means all property owned by the Refinery Company as shown on Exhibit A.

“**Refinery Company Representative**” means the plant manager of the Refinery Company or such other person as is designated in writing by Refinery Company.

“**Refinery Water Clarifier**” means the Refinery Company’s water clarifier and associated equipment as shown on Exhibit A.

“**Release**” or “**Released**” means any actual spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Materials into the environment, as “environment” is defined in CERCLA.

“**Response**” or “**Respond**” means action taken in compliance with Environmental Laws to correct, remove, remediate, clean-up, prevent, mitigate, monitor, evaluate, investigate, assess, or abate the Release of a Hazardous Material.

“**Specified Environmental Activities**” means any specific Environmental Activities identified in reasonable detail in a written notice given by one Party to the other Party, which specific Environmental Activities are permitted, required, or otherwise contemplated under this Agreement.

“**TKI**” means Tessengerlo Kerley, Inc.

“**TKI Phase I Agreement**” means the Sulfur Processing Agreement, dated October 2, 1996, between Farmland and TKI, as assigned by Farmland to Refinery Company, on March 2, 2004, as amended from time to time.

“**TKI Phase I Unit**” means the sulfur processing facility owned and operated by TKI pursuant to the TKI Phase I Agreement as shown on Exhibit A.

“**TKI Phase II Agreement**” means the Phase II Sulfur Processing Agreement, dated November 13, 1998, between Farmland and TKI, as assigned by Farmland to Coffeyville Resources Nitrogen Fertilizers, LLC, on March 2, 2004, as amended from time to time.

“**Transfer**” means the sale, exchange, gift or other assignment of rights or interests, whether by specific assignment, merger, consolidation, entity conversion or other disposition, but not including any bona fide pledge or assignment for collateral purpose in connection with any financing.

“**TSDF**” means a Treatment, Storage and Disposal Facility permitted in accordance with Federal regulations.

“**UAN Plant**” means the urea ammonium nitrate plant shown on Exhibit A, including any additions or other modifications made thereto from time to time.

“**Unplanned Work**” means Owner Party’s work on Owner Party’s Property that has not been authorized in the capital improvements budgetary process, but is deemed necessary to respond to an urgent situation to ensure compliance with Environmental Laws, to protect the environment or human health and safety, or to otherwise protect the integrity of the Property and related improvements.

“**Utility Facilities**” mean the utility facilities shown on Exhibit A, including any additions or other modifications made thereto from time to time.

## ARTICLE 2

### INDEMNIFICATION

Section 2.1 General Indemnification Obligations. Each of the Parties (each, an “**Indemnit**or”) shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees (each, an “**Indemnitee**”) harmless from and against all liabilities, obligations, claims, losses, damages, penalties, deficiencies, causes of action, costs and expenses, including, without limitation, attorneys’ fees and expenses (collectively, “**Losses**”) imposed upon, incurred by or asserted against the person seeking indemnification that are caused by, are attributable to, result from or arise out of any and all Claims associated with or in any way relating to Environmental Liabilities, including, but not limited to, obligations, responsibilities, response, remedial and removal costs, investigation and feasibility study costs, property damages, natural resource damages, costs and expenses (including all fees, disbursements and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest incurred as a result of or related to any claim, suit, action, investigation, proceeding or demand by any person (including third party claims) or Government Authority, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, provided they arise under or are related to any federal, state or local Environmental Laws, regulations or permits, or are connected with any release or presence of Hazardous Materials affecting the Indemnitee’s Property, which are a result of or are caused by the Indemnit

or’s actions or business operations. All costs and expenses incurred by the Indemnitee and arising from Claims associated with the environmental liabilities identified above shall be paid by the Indemnit

or within thirty (30) days following receipt of a legitimate demand therefor from the Indemnitee. In the event that indemnification is provided for under any other Section of this Agreement or any other agreements between Refinery Company or any of its affiliates and Fertilizer Company or any of its affiliates, and such indemnification is for any



particular Losses, then such indemnification (and any limitations thereon) as provided in such Section or other agreement shall apply as to such particular Losses and shall supersede and be in lieu of any indemnification that would otherwise apply to such particular Losses under this Section 2.1.

**Section 2.2 Indemnification for Existing Known Contamination.**

(a) All existing, known contamination on Refinery Company Property and Fertilizer Company Property has been documented and identified on a mutually agreed upon Known Contamination Map, which contamination is subject to Government Authority-mandated Environmental Activities that have either been completed and issued a "No Further Action" or "closure" determination, or remain incomplete and subject to further action.

(b) To the extent that existing, known contamination on Refinery Company Property has been documented and confirmed by Environmental Site Information and is depicted on the Known Contamination Map, and the contamination is associated with activities and operations of Fertilizer Company, Fertilizer Company shall implement any and all Government Authority-mandated Environmental Activities which are required to comply with Environmental Laws and Environmental Permits pertaining to the presence, generation, treatment, storage, use, disposal, transportation or Release of any Hazardous Material on, at, in, under, above, to, from or about any Refinery Company Property. If the Government Authority-mandated Environmental Activities are not implemented within a reasonable timeframe, Fertilizer Company shall indemnify Refinery Company for all of the expenses, penalties and other associated costs Refinery Company incurs in achieving compliance consistent with all of the foregoing actions identified in this Section 2.2(b), except as provided in Section 2.2(g). Any invasive, on-site work that could involve impacts to subsurface soil and/or groundwater in areas of contamination depicted on the Known Contamination Map shall be subject to the procedural requirements established in either Section 2.2(e) or Section 2.2(f) for Planned Project Work or Unplanned Work, respectively.

(c) Section 2.2(b) notwithstanding, at Refinery Company's sole discretion, Refinery Company may at its cost and expense perform a Government Authority-mandated action with regard to Commingled Environmental Liabilities, provided, however, (i) if such Government Authority-mandated action requires the cooperation of the Fertilizer Company, the Refinery Company shall provide reasonable notice of such requirement, and opportunity for Fertilizer Company to comment on such Government Authority-mandated action, and the Parties shall coordinate their activities relating to such required cooperation, and (ii) to the extent that any Hazardous Materials recovered as a result of any such Government Authority-mandated action were generated solely by the Fertilizer Company, then Fertilizer Company shall bear the cost of complying with the provisions of the Government Authority-mandated action with respect to such Hazardous Materials that were generated solely by the Fertilizer Company. By electing to perform such obligation, Refinery Company does not waive any coverage under this Agreement for compensation or indemnification for third party claims, or for any compensation or indemnification by Fertilizer Company as otherwise provided in this Agreement.

(d) To the extent that existing, known contamination on Fertilizer Company Property has been documented and confirmed by Environmental Site Information and is depicted

on the Known Contamination Map, and the contamination is associated with activities and operations of Refinery Company, Refinery Company shall implement any and all Government Authority-mandated Environmental Activities which are required to comply with Environmental Laws and Environmental Permits pertaining to the presence, generation, treatment, storage, use, disposal, transportation or Release of any Hazardous Material on, at, in, under, above, to, from or affecting any Fertilizer Company Property. If the Government Authority-mandated Environmental Activities are not implemented within a reasonable timeframe, Refinery Company shall indemnify Fertilizer Company for all of the expenses, penalties and other associated costs Fertilizer Company incurs in achieving compliance consistent with all of the foregoing activities identified in Section 2.2(d), except as provided in Section 2.2(h). Any invasive, on-site work that could involve impacts to subsurface soil and/or groundwater in areas of contamination depicted on the Known Contamination Map shall be subject to the procedural requirements established in either Section 2.2(e) or Section 2.2(f) for Planned Project Work or Unplanned Work, respectively.

(e) For Planned Project Work, contamination that is depicted on the Known Contamination Map, but for which Government Authority-mandated Environmental Activities remain incomplete and subject to further action, remains the responsibility of Contaminating Party, provided that Owner Party shall provide notification to Contaminating Party at least ninety (90) days in advance ("**Ninety Day Notice**") that Owner Party will perform work that will disturb soil and/or groundwater as part of the Planned Project Work. Upon such notice, the Parties will meet and diligently work together to develop a soil management plan; but in the event that the Parties are unable to agree within thirty (30) days after Owner Party's Ninety Day Notice, Owner Party may unilaterally proceed to develop and implement its own commercially reasonable soil management plan in conjunction with the Planned Project Work that will, to the extent commercially reasonable, seek to minimize as practicable soil that requires off-site disposal as part of the Planned Project Work. Owner Party will be responsible for the costs of excavation and load out associated specifically with the Planned Project Work, and Contaminating Party will pay the incremental disposal costs, if any, for the Hazardous Materials. If the Hazardous Materials require manifesting as RCRA Hazardous Waste, Contaminating Party will be the "generator" for the purposes of manifesting and disposal. A licensed TSDF shall be used for disposal.

(f) For Unplanned Work, contamination that is depicted on the Known Contamination Map, but for which Government Authority-mandated Environmental Activities remain incomplete and subject to further action, remains the responsibility of the Party that caused the contamination, provided that Owner Party shall provide Contaminating Party, within twenty-four (24) hours, notice that Owner Party performed Unplanned Work and encountered contamination that it believes is the responsibility of Contaminating Party. The noticed Party will then have twenty-four (24) hours to inspect the affected area to determine if it accepts Owner Party's claim of responsibility. If Contaminating Party accepts such responsibility, Contaminating Party shall proceed with the required Environmental Activities or, in the alternative, if Contaminating Party fails to diligently proceed and/or if Contaminating Party does not accept such responsibility, Owner Party may proceed with the required Environmental Activities and if Owner Party does proceed with the required Environmental Activities, then Contaminating Party shall indemnify and reimburse Owner Party, upon Owner Party's demand, for costs and expenses incurred by Owner Party in proceeding with the required Environmental

Activities. Disputes will be managed in accordance with Article 3 of this Agreement. Owner Party will be responsible for the costs of excavation and load out specifically associated with the scope and extent of Unplanned Work, and Contaminating Party will pay the management and disposal costs for the Hazardous Materials associated with the contamination depicted on the Known Contamination Map. If the Hazardous Materials require manifesting as RCRA Hazardous Waste, Contaminating Party will be the "generator" for the purposes of manifesting and disposal. A licensed TSDF shall be used for disposal.

(g) In the event that a Government Authority issues a "No Further Action", "closure" or similar determination concerning Fertilizer Company contamination on or affecting Refinery Company Property, Section 2.2(b) shall become inoperative with respect to the area specifically identified and delineated in the respective Government Authority determination, and Refinery Company shall have the sole responsibility for remediation of Refinery Company Property that has existing, known contamination which is disturbed by Refinery Company's on-site development, investigation or remediation actions.

(h) In the event that a Government Authority issues a "No Further Action", "closure" or similar determination concerning Refinery Company contamination on or affecting Fertilizer Company Property, Section 2.2(d) shall become inoperative with respect to the area specifically identified and delineated in the respective Government Authority determination, and Fertilizer Company shall have the sole responsibility for remediation of Fertilizer Company Property that has existing, known contamination which is disturbed by Fertilizer Company's on-site development, investigation or remediation actions.

Section 2.3 Indemnification for Existing Unknown and Future Contamination.

(a) To the extent that operations and activities of the Refinery Company have resulted in or caused a violation of Environmental Laws, or a Release (including a Release of existing contamination) or other contamination affecting the Fertilizer Company Property that was existing and unknown as of the execution of this Agreement, or involves a latent release that occurs subsequent to the execution of this Agreement, the Refinery Company shall, upon its receipt of both a demand from the Fertilizer Company and objective evidence of such Release or other contamination, in a commercially reasonable manner: (i) conduct all investigations necessary to adequately identify and characterize the contamination; (ii) develop a corrective action proposal or work plan, if necessary; (iv) with the consent of the Fertilizer Company, coordinate with the Government Authority; and (v) implement any and all Government Authority-mandated Environmental Activities which are required to comply with Environmental Laws and Environmental Permits pertaining to the presence, generation, treatment, storage, use, disposal, transportation or Release of any Hazardous Material on, at, in, under, above, to, from or affecting any Fertilizer Company Property. If the Government Authority-mandated actions are not implemented within a reasonable timeframe by Refinery Company, Fertilizer Company shall implement such actions, and Refinery Company shall indemnify the Fertilizer Company for all of the expenses, penalties and other associated costs it incurs in achieving compliance consistent with all of the foregoing activities identified in this Section 2.3(a), subject to the conditions established in Sections 2.3(c), (d) and (e).

(b) To the extent that operations and activities of the Fertilizer Company have resulted in or caused a violation of Environmental Laws, or a Release (including a Release of existing contamination) or other contamination affecting the Refinery Company Property that was existing and unknown as of the execution of this Agreement, or involves a latent release that occurs subsequent to the execution of this Agreement, the Fertilizer Company shall, upon its receipt of both a demand from the Refinery Company and adequate, objective evidence of such Release or other contamination, in a commercially reasonable manner: (i) conduct all investigations necessary to adequately identify and characterize the contamination; (ii) develop a corrective action proposal or work plan, if necessary; (iv) with the consent of the Refinery Company, coordinate with the Government Authority; and (v) implement any and all Government Authority-mandated Environmental Activities which are required to comply with Environmental Laws and Environmental Permits pertaining to the presence, generation, treatment, storage, use, disposal, transportation or Release of any Hazardous Material on, at, in, under, above, to, from or affecting any Refinery Company Property. If the Government Authority-mandated actions are not implemented within a reasonable timeframe by Fertilizer Company, Refinery Company shall implement such actions, and Fertilizer Company shall indemnify the Refinery Company for all of the expenses, penalties and other associated costs it incurs in achieving compliance consistent with all of the foregoing activities identified in this Section 2.3(b), subject to the conditions established in Section 2.3(c), (d) and (e).

(c) Except as required as a part of Government Authority-mandated Environmental Activities, or in responding to an accidental or sudden environmental occurrence of Hazardous Materials contamination, or in connection with implementation of the Comprehensive Coke Management Plan, neither Party can undertake investigation of soil or groundwater conditions.

(d) If the contamination referenced in Sections 2.3(a) or (b) is subsumed or covered by, or is otherwise satisfied by, a Government Authority-mandated remediation or corrective action that was in effect prior to the execution of this Agreement, this provision shall be inapplicable.

(e) The requirements associated with existing unknown contamination referenced in Sections 2.3(a) and (b) shall apply only to existing unknown contamination that is discovered and identified in reasonable detail in a written notice by one Party to the other Party within five (5) years following the Effective Date.

**Section 2.4 Indemnification for Failure to Comply with Comprehensive Coke Management Plan.**

(a) The Parties shall work in conjunction with each other to develop a Comprehensive Coke Management Plan, including establishing procedures for the management of Coke and the identification of significant Coke-related contamination on the respective properties, which shall be finalized within ninety (90) days following execution of this Agreement, and which Comprehensive Coke Management Plan may be amended from time to time.

(b) Each of the Parties shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees harmless from and against all Losses imposed upon, incurred by or asserted against the person seeking indemnification that are caused by, are attributable to, result from or arise out of any and all Claims associated with or in any way relating to Environmental Liabilities, including, but not limited to, obligations, responsibilities, response, remedial and removal costs, investigation and feasibility study costs, property damages, natural resource damages, costs and expenses (including all fees, disbursements and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest incurred as a result of or related to any claim, suit, action, investigation, proceeding or demand by any person (including third party claims) or Government Authority, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, provided they arise under or are related to the failure to comply with and implement its respective obligations and responsibilities as established in the Comprehensive Coke Management Plan, including any Coke-related violations of applicable Environmental Laws or Environmental Permits. All costs and expenses incurred by the Indemnitee and arising from Claims associated with the liabilities identified above shall be paid by the Indemnitor within thirty (30) days following receipt of a legitimate demand therefor from the Indemnitee.

Section 2.5 Indemnification for Closure of Industrial Landfill 871

(a) Refinery Company will close the KDHE permitted Industrial Landfill 871 ("**Landfill 871**", which is located on land previously owned by Refinery Company and now owned by Fertilizer Company) in accordance with the closure procedures specified in the Revised Closure Plan submitted to KDHE on March 3, 2004, or any KDHE required modifications to the Revised Closure Plan. Refinery Company will be responsible for the 60-day notification requirement under Kansas Administrative Regulation Section 28-19-12(a) with respect to closure of Landfill 871.

(b) Refinery Company will be responsible for all closure costs and post-closure maintenance of the final clay cap and vegetative cover for Landfill 871. Access by Refinery Company to Landfill 871 for purposes of such maintenance will be provided in accordance with Article 7 hereof.

(c) Refinery Company acknowledges, and will comply with, the Restrictive Covenant filed with the Montgomery County Register of Deeds at Book 487 Page 533, which, among other things, specifies certain post-closure property use, easement to KDHE, and disclosure requirements with respect to Landfill 871.

(d) Each of the Parties shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees harmless from and against all Losses imposed upon, incurred by or asserted against the person seeking indemnification that are caused by, are attributable to, result from or arise out of any and all Claims associated with or in any way relating to Environmental Liabilities, including, but not limited to, obligations, responsibilities, response, remedial and removal costs, investigation and feasibility study costs, property damages, natural resource damages, costs and expenses (including all fees, disbursements and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest incurred as a result of or related to any claim, suit, action, investigation, proceeding or

demand by any person (including third party claims) or Government Authority, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, provided they arise under or are related to the failure to comply with and implement its respective obligations and responsibilities with respect to Landfill 871 under this Section 2.5(d). All costs and expenses incurred by the Indemnitee and arising from Claims associated with the liabilities identified above shall be paid by the Indemnitor within thirty (30) days following receipt of a legitimate demand therefor from the Indemnitee.

Section 2.6 Indemnification for Off-Site Disposal of Hazardous Materials. Each of the Parties shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees harmless from and against all liabilities, obligations, claims, losses, damages, penalties, deficiencies, causes of action, costs and expenses, including, without limitation, attorneys' fees and expenses (collectively, "Losses") imposed upon, incurred by or asserted against the person seeking indemnification that are caused by, are attributable to, result from or arise out of any and all Claims associated with or in any way relating to Environmental Liabilities, including, but not limited to, obligations, responsibilities, response, remedial and removal costs, investigation and feasibility study costs, consequential damages related to business interruption, property damages, natural resource damages, costs and expenses (including all fees, disbursements and expenses of counsel, experts and consultants), fines, penalties, sanctions and interest incurred as a result of or related to any claim, suit, action, investigation, proceeding or demand by any person (including third party claims) or Government Authority, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, provided they arise under, or are caused by or related to the off-site disposal of Hazardous Materials caused or generated by Indemnitor and removed from the respective Property, and disposed at an off-site location. This indemnification shall specifically cover, but is not limited to, any Hazardous Material-related contamination caused by one Party (i.e., Indemnitor), but registered and disposed under the other Party's waste generator/manifesting identification number, including the Hazardous Materials generated by Fertilizer Company during construction of the Nitrogen Plant that was disposed off-site using Refinery Company's waste generator/manifesting identification number.

Section 2.7 Reduction of Indemnification Obligation. Any indemnification obligation pursuant to this Article 2 with respect to any particular Losses shall be reduced by all amounts actually recovered by the Indemnitee from third parties, or from applicable insurance coverage, with respect to such Losses. Upon making any payment to any Indemnitee, the Indemnitor shall be subrogated to all rights of the Indemnitee against any third party in respect of the Losses to which such payment relates, and such Indemnitee shall execute upon request all instruments reasonably necessary to evidence and perfect such subrogation rights. If the Indemnitee receives any amounts from any third party or under applicable insurance coverage subsequent to an indemnification payment by the Indemnitor, then such Indemnitee shall promptly reimburse the Indemnitor for any payment made or expense incurred by such Indemnitor in connection with providing such indemnification payment up to the amount received by the Indemnitee, net of any expenses incurred by such Indemnitee in collecting such amount.

Section 2.8 Indemnification Procedures.

(a) Promptly after receipt by an Indemnitee of notice of the commencement of any action that may result in a claim for indemnification pursuant to this Article 2, the Indemnitee shall notify the Indemnitor in writing within 30 days thereafter; provided, however, that any omission to so notify the Indemnitor will not relieve it of any liability for indemnification hereunder as to the particular item for which indemnification may then be sought (except to the extent that the failure to give notice shall have been materially prejudicial to the Indemnitor) nor from any other liability that it may have to any Indemnitee. The Indemnitor shall have the right to assume sole and exclusive control of the defense of any claim for indemnification pursuant to this Article 2, including the choice and direction of any legal counsel.

(b) An Indemnitee shall have the right to engage separate legal counsel in any action as to which indemnification may be sought under any provision of this Agreement and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the Indemnitor has agreed in writing to pay such fees and expenses, (ii) the Indemnitor has failed to assume the defense thereof and engage legal counsel within a reasonable period of time after being given the notice required above, or (iii) the Indemnitee shall have been advised by its legal counsel that representation of such Indemnitee and other parties by the same legal counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same legal counsel has been proposed) due to actual or potential conflicts of interests between them. It is understood, however, that to the extent more than one Indemnitee is entitled to engage separate legal counsel at the Indemnitor's expense pursuant to clause (iii) above, the Indemnitor shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnitees having the same or substantially similar claims against the Indemnitor, unless but only to the extent the Indemnitees have actual or potential conflicting interests with each other.

(c) The Indemnitor shall not be liable for any settlement of any action effected without its written consent, but if settled with such written consent, or if there is a final judgment against the Indemnitee in any such action, the Indemnitor agrees to indemnify and hold harmless the Indemnitee to the extent provided above from and against any loss, claim, damage, liability or expense by reason of such settlement or judgment.

Section 2.9 Activity and Use Limitations. The Parties mutually agree that the Refinery Company Property and the Fertilizer Company Property shall only be used for industrial purposes in the future.

Section 2.10 Survival. Any environmental contamination that is specifically identified and indemnifiable hereunder prior to the termination or expiration of this Agreement shall be covered by this Agreement beyond the term of this Agreement as established in Section 10.8.

### ARTICLE 3

#### DISPUTES

Section 3.1 Resolution of Disputes. The Parties shall in good faith attempt to resolve promptly and amicably any dispute between the Parties arising out of or relating to this Agreement (each a "**Dispute**") pursuant to this Article 3. The Parties shall first submit the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, who shall then meet within fifteen (15) days to resolve the Dispute. If the Dispute has not been resolved within forty-five (45) days after the submission of the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, the Dispute shall be submitted to a mutually agreed non-binding mediation. The costs and expenses of the mediator shall be borne equally by the Parties, and the Parties shall pay their own respective attorneys' fees and other costs. If the Dispute is not resolved by mediation within ninety (90) days after the Dispute is first submitted to the Refinery Company Representative and the Fertilizer Company Representative as provided above, then the Parties may exercise all available remedies.

Section 3.2 Multi-Party Disputes. The Parties acknowledge that they or their respective affiliates contemplate entering or have entered into various additional agreements with third parties that relate to the subject matter of this Agreement and that, as a consequence, Disputes may arise hereunder that involve such third parties (each a "**Multi-Party Dispute**"). Accordingly, the Parties agree, with the consent of such third parties, that any such Multi-Party Dispute, to the extent feasible, shall be resolved by and among all the interested parties consistent with the provisions of this Article 3.

### ARTICLE 4

#### ASSIGNMENT

This Agreement shall extend to and be binding upon the Parties hereto, their successors and permitted assigns. Either Party may assign its rights and obligations hereunder solely (i) to an affiliate under common control with the assigning Party, provided that any such assignment shall require the prior written consent of the other Party hereto (such consent not to be unreasonably withheld or delayed), and provided that the applicable assignee agrees, in a written instrument delivered to (and reasonably acceptable to) such other Party, to be fully bound hereby, or (ii) to a Party's lenders for collateral security purposes, provided that in the case of any such assignment each Party agrees (x) to cooperate with the lenders in connection with the execution and delivery of a customary form of lender consent to assignment of contract rights and (y) any delay or other inability of a Party to timely perform hereunder due to a restriction imposed under the applicable credit agreement or any collateral document in connection therewith shall not constitute a breach hereunder. In addition, each Party agrees that it will assign its rights and obligations hereunder to a transferee acquiring all or substantially all of the equity in or assets of the assigning Party related to the Refinery or Fertilizer Plant (as applicable), which transferee must be approved in writing by the non-assigning Party (such approval not to be unreasonably withheld or delayed) and must agree in writing (with the non-assigning Party) to be fully bound hereby.



**ARTICLE 5**

**GOVERNING LAW AND VENUE**

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SAID STATE. THE PARTIES AGREE THAT ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT MAY BE MAINTAINED IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF KANSAS, AND EACH PARTY AGREES TO SUBMIT PERSONALLY TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY WAIVES THE DEFENSES OF FORUM NON-CONVENIENS OR IMPROPER VENUE WITH RESPECT TO ANY ACTION BROUGHT IN ANY SUCH COURT IN CONNECTION WITH THIS AGREEMENT.

**ARTICLE 6**

**LIMITATION OF LIABILITY**

In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall either Party, its employees, suppliers or subcontractors, be liable for loss of profits or revenue or special, incidental, consequential, punitive or exemplary damages; *provided*, however, that the foregoing limitation shall not preclude recourse to any insurance coverage maintained by the Parties pursuant to the requirements of this Agreement or otherwise.

**ARTICLE 7**

**SITE ACCESS**

Section 7.1 The Parties mutually grant to each other, and their consultants, agents, representatives, or contractors, the right and license to access and enter onto the Accessed Property, at such reasonable times and locations and along such routes as may be acceptable to the Party granting access (Owner Party), for the purpose of the performance of Specified Environmental Activities on the Accessed Property.

Section 7.2 All existing and future Environmental Site Information is highly confidential in nature and constitute proprietary and/or privileged information. Therefore, the Parties shall, as provided in Section 10.1, preserve and protect the confidentiality of the Environmental Site Information, which shall be used for the purposes of identifying and remediating contaminated soil and groundwater, as well as to provide advice and assist in complying with Environmental Laws.

Section 7.3 Upon request by Owner Party, Contaminating Party shall submit a copy of its work plan for its Specified Environmental Activities to Owner Party.

Section 7.4 The Contaminating Party's right to access and enter the Accessed Property for purposes of conducting Specified Environmental Activities shall be subject to the following conditions and restrictions:  
(a) the performance of the Specified Environmental Activities will be

at no cost or expense to Owner Party; (b) Contaminating Party shall notify Owner Party as soon as reasonably practicable prior to entry onto the Accessed Property to conduct Specified Environmental Activities; (c) Contaminating Party's activities under this section shall not interfere with the normal business operations of the Accessed Property unless such interference is approved by Owner Party in advance or unless such interruption is a direct result of activity implementing a Government Authority-mandated work plan, order or other Environmental Activities; (d) Contaminating Party, its consultant, agents, representatives, or contractors, shall diligently restore the Accessed Property to its condition immediately prior to the performance of the Specified Environmental Activities, to a condition that is in compliance with Environmental Laws, the requirements of the Government Authority, and in a manner that will allow for the continuation of normal business operations on the Accessed Property; (e) Contaminating Party shall indemnify Owner Party against any property damage or personal injury incurred by Owner Party or third parties as a result of the Specified Environmental Activities or the unauthorized release of Environmental Site Information under this Agreement; and (f) these provisions allowing access to the Accessed Property are intended and shall be construed only as a temporary license to enter the Accessed Property and to conduct the Specified Environmental Activities upon the Accessed Property and not as a grant of easement or any other interest in the Accessed Property.

Section 7.5 Contaminating Party, its consultants, agents, representatives, or contractors, shall be authorized to store and retain on the Accessed Property the necessary equipment, materials, tools and personal property for the Specified Environmental Activities; provided, however, that the equipment, materials, tools and personal property shall not in any way interfere with the normal business operations of Owner Party, and that all such equipment, materials, tools and personal property shall be removed promptly upon completion of the Specified Environmental Activities.

Section 7.6 The right to access the Accessed Property granted to the Contaminating Party shall terminate upon the completion of the Specified Environmental Activities. Investigative activities shall be deemed complete once all sampling and/or monitoring activities have been concluded, and all restorative work has been completed to the reasonable satisfaction of Owner Party, and remedial activities shall be deemed complete once all removal, closure, and restorative activities have been conducted and the requisite determination has been issued by the Government Authority.

## **ARTICLE 8**

### **NOTICES**

Any notice, request, correspondence, information, consent or other communication to any of the Parties required or permitted under this Agreement shall be in writing (including telex, telecopy, or facsimile), shall be given by personal service or by telex, telecopy, facsimile, overnight courier service, or certified mail with postage prepaid, return receipt requested, and properly addressed to such Party and shall be effective upon receipt. For purposes hereof the proper address of the Parties shall be the address stated beneath the corresponding Party's name below, or at the most recent address given to the other Parties hereto by notice in accordance with this Article:

If to Refinery Company, to:

Coffeyville Resources  
Refining & Marketing, LLC  
400 N. Linden St., P.O. Box 1566  
Coffeyville, Kansas 67337  
Attention: Executive Vice President,  
Refining Operations  
Facsimile: (620) 251-1456

If to Fertilizer Company, to:

Coffeyville Resources  
Nitrogen Fertilizers, LLC  
701 E. Martin St., P.O. Box 5000  
Coffeyville, Kansas 67337  
Attention: Executive Vice President and  
Fertilizer General Manager  
Facsimile: (620) 252-4357

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

or such other address(es) as either Party designates by registered or certified mail addressed to the other Party.

#### **ARTICLE 9**

##### **EXHIBITS**

All of the Exhibits attached hereto are incorporated herein and made a part of this Agreement by reference thereto.

#### **ARTICLE 10**

##### **MISCELLANEOUS**

Section 10.1 Confidential Information. During the course of the Parties' performance hereunder, the Parties acknowledge and agree that each of them may receive or have access to confidential information of the other Party (which for the purposes of this Agreement means any Environmental Site Information, or other information, that is not generally known or that is not known in the industry or community in general). Each Party agrees not to use or disclose any such confidential information within their respective organizations (including affiliates) except as required to perform its obligations hereunder and on a need-to-know basis and will not disclose such information to others except to the extent (i) such information was known to the receiving Party prior to its receipt from the other Party, (ii) such information is required to be disclosed under applicable law or regulation, or (iii) such information was required to be disclosed or appropriate for disclosure in connection with a Transfer (or proposed Transfer) of the Refinery or Fertilizer Plant or in connection with required disclosures to a Party's financing sources and their representatives, as the case may be, provided that any disclosure under clause

(iii) shall be approved in advance thereof by the other Party, which approval shall not be unreasonably withheld or delayed. If a Party is compelled in a judicial or administrative proceeding to reveal, disclose, or otherwise make available any confidential information of the other Party to any third party, such Party shall notify the other Party in writing promptly upon receipt of the request for disclosure, and such other Party shall have the opportunity to intervene to prevent or restrict the disclosure of the confidential information.

Section 10.2 Headings. The headings used in this Agreement are for convenience only and shall not constitute a part of this Agreement.

Section 10.3 Amendments and Waiver. This Agreement may not be amended, modified or waived except by a writing signed by all parties to this Agreement that specifically references this Agreement and specifically provides for an amendment, modification or waiver of this Agreement. No waiver of or failure or omission to enforce any provision of this Agreement or any claim or right arising hereunder shall be deemed to be a waiver of any other provision of this Agreement or any other claim or right arising hereunder.

Section 10.4 Construction and Severability. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and in accordance with industry standards and not strictly for or against either Party. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

Section 10.5 Waiver. The waiver by either Party of any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition contained in this Agreement. No term, covenant or condition of this Agreement will be deemed to have been waived unless such waiver is in writing.

Section 10.6 No Third Party Beneficiaries. The Parties each acknowledge and agree that there are no third party beneficiaries having rights under or with respect to this Agreement, including without limitation, under the BOC Agreement, TKI I Phase I Agreement, or TKI Phase II Agreement.

Section 10.7 Entire Agreement. This Agreement, including all Exhibits hereto, constitutes the entire, integrated agreement between the Parties regarding the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties, whether written or oral, regarding the subject matter hereof.

Section 10.8 Term. This Agreement shall continue for a minimum of twenty (20) years, or as long as the Feedstock Agreement remains in effect, whichever is longer.

*[signature page follows]*

**Signature Page  
To  
Environmental Agreement**

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above set forth.

COFFEYVILLE RESOURCES  
REFINING & MARKETING, LLC

COFFEYVILLE RESOURCES  
NITROGEN FERTILIZERS, LLC

By: /s/ Robert W. Haugen \_\_\_\_\_

Name: Robert W. Haugen  
Title: Executive Vice President,  
Refining Operations

By: /s/ Kevan A. Vick \_\_\_\_\_

Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

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**EXHIBIT A**  
**PLOT PLAN**

See attached.

**FEEDSTOCK AND SHARED SERVICES AGREEMENT**

**THIS FEEDSTOCK AND SHARED SERVICES AGREEMENT** is entered into and effective as of the 25th day of October, 2007, by and between Coffeyville Resources Refining & Marketing, LLC, a Delaware limited liability company ("**Refinery Company**"), and Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company ("**Fertilizer Company**").

**RECITALS**

Refinery Company owns and operates the petroleum refinery located at Coffeyville, Kansas, which refinery is shown on Exhibit A hereto (including any additions or other modifications made thereto from time to time, the "**Refinery**").

Fertilizer Company owns and operates the nitrogen fertilizer complex located adjacent to the Refinery consisting of the Gasification Unit, the UAN Plant, the Ammonia Synthesis Loop, the Utility Facilities, storage and loading facilities, the Fertilizer Plant Water Clarifier and river access, the Grounds and related connecting pipes and improvements, which fertilizer manufacturing complex is connected to and associated with the BOC Facility and the Offsite Sulfur Recovery Unit, all of which are shown on Exhibit A hereto (including any additions or other modifications made thereto from time to time, and which are collectively referred to herein as the "**Fertilizer Plant**").

Refinery Company requires access to certain property and structures located on the Fertilizer Plant site to conduct its business, and Fertilizer Company requires access to certain structures and property located on the Refinery site to conduct its business.

Fertilizer Company and Refinery Company desire to enter into this Agreement for the provision of certain specified Feedstocks and Services between the Parties for use in their respective production processes and certain other related matters, all upon the terms and subject to the conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements, representations and warranties herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE 1****DEFINITIONS**

The following terms shall have the meanings set forth below, unless the context otherwise dictates, both for purposes of this Agreement and all Exhibits hereto:

"**Agreement**" means this Feedstock and Shared Services Agreement and the Exhibits hereto, all as the same may be amended, modified or supplemented from time to time.

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**"Ammonia Price"** means the price for anhydrous ammonia determined for a particular month as follows: The price per short ton of anhydrous ammonia shall be the average of (i) the average of the price range published in each weekly issue of "Green Markets" under the heading of "Ammonia" for "Southern Plains" averaged over such weekly issues published in the applicable calendar month, and (ii) the average of the price range published in each weekly issue of "Fertilizer Week America" under the heading of "Ammonia" for FOB Southern Plains" averaged over such weekly issues published in the applicable calendar month. In the event that either of the aforesaid publications ceases to be published, then the price per short ton of anhydrous ammonia shall be determined by reference to the publication that does not cease publication, using the average price range as provided for above. In the event that both of the aforesaid publications cease to be published, then the price per short ton of anhydrous ammonia shall be determined by reference to such generally accepted industry publication as Fertilizer Company may designate with the consent of the Refinery Company, which consent shall not be unreasonably withheld or delayed.

**"Ammonia Synthesis Loop"** means that ammonia synthesis loop within the Fertilizer Plant shown on Exhibit A hereto, including any additions or other modifications made thereto from time to time.

**"BOC"** means BOC Group, Inc., a Delaware corporation.

**"BOC Agreement"** means that certain Amended and Restated On-Site Project Supply Agreement between Fertilizer Company and BOC, dated as of June 1, 2005.

**"BOC Facility"** means the plant for the production of certain products and argon, including metering and related facilities, together with an inter-connected liquid nitrogen product storage vessel and vaporization equipment, as shown on Exhibit A hereto, all connected to the pipelines owned by BOC, including any additions or other modifications made thereto from time to time.

**"Coke"** has the meaning given such term in the Coke Supply Agreement.

**"Coke Supply Agreement"** means the Coke Supply Agreement dated as of the date hereof between the Parties.

**"cscf"** means one hundred scf.

**"Dispute"** has the meaning given such term in Article 5.

**"Easement Agreement"** means that Cross-Easement Agreement dated as of the date hereof under which the Fertilizer Company and the Refinery Company grant each other certain rights to enter upon and use the real property of the other Party for the purposes described therein.

**"Effective Date"** means the date first above written.

**"Farmland"** means Farmland Industries, Inc., a Kansas cooperative corporation.



“**Feedstock**” means the materials and streams described in Exhibit B, all within the tolerances and to the specifications therein contained, that are provided by or on behalf of Refinery Company to Fertilizer Company, or by or on behalf of Fertilizer Company to Refinery Company, as the case may be and as otherwise may be agreed by the Parties.

“**Feedstock Delivery Points**” means the points at which the Feedstock is transferred from Fertilizer Company to Refinery Company, or from Refinery Company to Fertilizer Company, as the case may be and as shown on Plot Plan A and Drawing D11-0913B constituting a part of Exhibit A.

“**Fertilizer Plant**” has the meaning given such term in the Recitals.

“**Fertilizer Company**” has the meaning given such term in the introductory paragraph.

“**Fertilizer Company Representative**” means the plant manager of the Fertilizer Plant or such other person as is designated in writing by Fertilizer Company.

“**Fertilizer Plant Water Clarifier**” means the Fertilizer Company’s water clarifier and associated equipment as shown on Plot Plan A constituting a part of Exhibit A.

“**Fire Water**” means the water and related systems to provide water for use in fire emergencies and the like, as such Fire Water is described in Exhibit B, all within the tolerances and in compliance with the specifications therein.

“**Force Majeure**” means war (whether declared or undeclared); fire, flood, lightning, earthquake, storm, tornado, or any other act of God; strikes, lockouts or other labor difficulties; unplanned plant outages; civil disturbances, riot, sabotage, terrorist act, accident, any official order or directive, including with respect to condemnation, or industry-wide requirement by any governmental authority or instrumentality thereof, which, in the reasonable judgment of the Party affected, interferes with such Party’s performance under this Agreement; any inability to secure necessary materials and/or services to perform under this Agreement, including, but not limited to, inability to secure materials and/or services by reason of allocations promulgated by governmental agencies; or any other contingency beyond the reasonable control of the affected Party, which interferes with such Party’s performance under this Agreement.

“**Gasification Unit**” means that gasification unit shown on Plot Plan A constituting a part of Exhibit A hereto, including any additions or other modifications made thereto from time to time.

“**Grounds**” means the realty on which the Fertilizer Plant is situated, which Grounds are shown on Plot Plan A constituting a part of Exhibit A.

“**High Pressure Steam**” means steam described in Exhibit B under the heading “High Pressure Steam,” all within the tolerances and in compliance with the specifications therein contained.

“**Hydrogen**” means hydrogen in its gaseous form, as described in Exhibit B hereto, all within the tolerances and in compliance with the specifications therein contained.

**“Hydrogen Reduction Date”** means the date after which the obligation of Fertilizer Company to provide Hydrogen to Refinery Company shall be reduced. The Hydrogen Reduction Date shall be that date selected by Fertilizer Company in its sole discretion and provided to Refinery Company upon ninety (90) days prior written notice, provided, however, that the Hydrogen Reduction Date shall not be earlier than December 1, 2007.

**“Instrument Air”** means air produced by mechanical compression as described in Exhibit B, all within the tolerances and in compliance with the specifications therein contained.

**“Laws”** means all applicable laws, regulations, permits, orders and decrees, including, without limitation, laws, regulations, permits, orders and decrees respecting health, safety and the environment.

**“Lease Agreement”** means the real property lease dated as of the date hereof between the Parties relating to the lease of certain Refinery Company premises to Fertilizer Company.

**“mlbs”** means one thousand pounds.

**“MMBtu”** means one million British thermal units.

**“mmscf”** means one million scf.

**“mscf”** means one thousand scf.

**“Nitrogen”** means nitrogen in its gaseous form, as described in Exhibit B hereto, all within the tolerances and in compliance with the specifications therein contained.

**“Offsite Sulfur Recovery Unit”** means that sulfur processing facility owned and operated by TKI pursuant to the TKI Phase II Agreement, which Offsite Sulfur Recovery Unit is shown on Plot Plan A constituting a part of Exhibit A hereto, including any additions or other modifications made thereto from time to time.

**“Owner”** means Fertilizer Company or Refinery Company, as the context requires.

**“Oxygen”** means oxygen in its gaseous form, as described in Exhibit B hereto, all within the tolerances and in compliance with the specifications therein contained.

**“Party”** and **“Parties”** means the parties to this Agreement.

**“Person”** means and includes natural persons, corporations, limited partners, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities.

**“PPM”** means parts per million.

“**Prime Rate**” means the prime interest rate as published from time to time in The Wall Street Journal as the base lending rate on corporate loans posted by at least seventy-five percent (75%) of the thirty (30) largest United States banks.

“**psi**” means pounds per square inch.

“**psig**” means pounds per square inch gauge.

“**Raw Water and Facilities Sharing Agreement**” means the Raw Water and Facilities Sharing Agreement dated as of the date hereof between the Parties.

“**Refinery**” has the meaning given such term in the Recitals hereto.

“**Refinery Company**” has the meaning given such term in the introductory paragraph.

“**Refinery Water Clarifier**” means the Refinery Company’s water clarifier and associated equipment.

“**Refinery Company Representative**” means the plant manager of the Refinery Company or such other person as is designated in writing by Refinery Company.

“**scf**” means standard cubic feet at 60°F and at atmospheric pressure equal to 29.92 inches of mercury absolute, measured by standard sharp edge orifice plate and differential pressure transmitters located at the Fertilizer Plant. The measured flow shall be pressure and temperature compensated and totaled by the Fertilizer Plant’s Honeywell process control computer (TDC 3000) or any replacement computer. All transmitter signals and computer calculations are available to the Refinery through the existing communications bus for verification. Calibration of the transmitters shall be done at least annually and may be done more frequently at Refinery Company’s request.

“**Security Contract**” means any agreement for security services to which Refinery Company is a party pursuant to which security services are provided on the Refinery premises and environs and on the Fertilizer Plant premises and environs.

“**Services**” means the services described as such on Exhibit B.

“**Sour Water**” means the process stream described on Exhibit B that meets the tolerances and specifications therein contained.

“**ST**” means short tons.

“**STPD**” means short tons per day.

“**TKI**” means Tessengerlo Kerley, Inc.

“**TKI General Plant and Labor Costs**” means (i) the costs incurred and appropriately billed to Refinery Company pursuant to the TKI Phase I Agreement and (ii) the costs incurred and appropriately billed to Fertilizer Company pursuant to the TKI Phase II Agreement.

“**TKI Phase I Agreement**” means the Sulfur Processing Agreement, dated October 2, 1996, between Farmland and TKI, as assigned by Farmland to Refinery Company, on March 2, 2004, as amended from time to time.

“**TKI Phase I Unit**” means the sulfur processing facility owned and operated by TKI pursuant to the TKI Phase I Agreement.

“**TKI Phase II Agreement**” means the Phase II Sulfur Processing Agreement, dated November 13, 1998, between Farmland and TKI, as assigned by Farmland to Coffeyville Resources Nitrogen Fertilizers, LLC, on March 2, 2004, as amended from time to time.

“**Transfer**” means the sale, exchange, gift or other assignment of rights or interests, whether by specific assignment, merger, consolidation, entity conversion or other disposition, but not including any bona fide pledge or assignment for collateral purpose in connection with any financing.

“**UAN Plant**” means the urea ammonium nitrate plant shown on Exhibit A hereto, including any additions or other modifications made thereto from time to time.

“**UAN Price**” means the price for 32% urea ammonium nitrate determined for a particular month as follows: The price per short ton of 32% urea ammonium nitrate shall be the average of (i) the average of the price range published in each weekly issue of “Green Markets” under the heading of “UAN” for “Mid Combelt” averaged over such weekly issues published in the applicable calendar month and then multiplied by thirty-two (32), and (ii) the average of the price range published in each weekly issue of “Fertilizer Week America” under the heading of “UAN” for “FOB Midwest” averaged over such weekly issues published in the applicable calendar month. In the event that either of the aforesaid publications ceases to be published, then the price per short ton of 32% urea ammonium nitrate shall be determined by reference to the publication that does not cease publication, using the average price range as provided for above. In the event that both of the aforesaid publications cease to be published, then the price per short ton of 32% urea ammonium nitrate shall be determined by reference to such generally accepted industry publication as Fertilizer Company may designate with the consent of the Refinery Company, which consent shall not be unreasonably withheld or delayed.

“**Utility Facilities**” mean the utility facilities shown on Exhibit A hereto, including any additions or other modifications made thereto from time to time.

## ARTICLE 2

### FEEDSTOCK AND SHARED SERVICES

Section 2.1 Steam.

2.1.1 Refinery Steam Obligations

(a) Start-up Steam. Refinery Company shall, upon reasonable request by the Fertilizer Company, make available to Fertilizer Company High Pressure Steam at a cost to Fertilizer Company as designated on Exhibit B hereto, at sufficient pressure and in sufficient

amounts, to allow Fertilizer Company to commence and recommence operation of the Fertilizer Plant from time to time at Fertilizer Company's request. The parties anticipate that commencement and/or recommencement of Fertilizer Plant operations will require approximately 75,000 pounds per hour of High Pressure Steam. For purposes of this Subsection 2.1.1(a), such High Pressure Steam shall be referred to as "Start-Up Steam." Refinery Company shall use commercially reasonable efforts to make available Start-Up Steam when requested by Fertilizer Company; provided that Refinery Company shall not be obligated to make available Start-Up Steam hereunder if doing so would have a material adverse effect on Refinery operations. Fertilizer Company shall provide reasonable notice to Refinery Company of the approximate time and date of each of its requirements for Start-Up Steam.

(b) BOC Steam. Refinery Company, shall make commercially reasonable efforts as its operations permit, at a cost to Fertilizer Company as set forth in Exhibit B, to make available High Pressure Steam produced at the Refinery to the Fertilizer Company, solely for use at the BOC Facility. Fertilizer Company shall provide reasonable notice to Refinery Company of the approximate time and date of each of its requirements for High Pressure Steam under this subsection 2.1.1(b); provided that Refinery Company shall not be obligated to make available High Pressure Steam hereunder if doing so would have a material adverse effect on Refinery operations.

#### 2.1.2 Fertilizer Plant Steam Obligations

Fertilizer Company shall make available at a cost to Refinery Company as set forth in Exhibit B, solely for use at the Refinery, any High Pressure Steam produced by the Fertilizer Plant that is not required for the operation of the Fertilizer Plant, following reasonable notice from Refinery Company requesting such steam.

#### 2.1.3 Mutual Steam Obligations

(a) Low Pressure Steam. Refinery Company and Fertilizer Company may supply each other any steam (other than High Pressure Steam) produced by either of their respective operations, which is not required by such operation and is required for the other Party's operation, at no cost; provided, however, there shall be no obligation by either Party to supply any such steam and the Party requiring such steam shall give reasonable notice to the other Party of any request.

(b) Steam Condensate. Refinery Company shall retain all steam condensate for steam delivered to Refinery Company hereunder and Fertilizer Company shall retain all steam condensate for all steam delivered to Fertilizer Company hereunder.

Section 2.2 Nitrogen. Fertilizer Company shall make available to Refinery Company, solely for use at the Refinery, any Nitrogen produced by the BOC Facility and available to Fertilizer Company that is not required, as determined in a commercially reasonable manner by the Fertilizer Company based on its then current or anticipated operational requirements, for the operation of the Fertilizer Plant, following reasonable notice from Refinery Company requesting such Nitrogen, at a cost to Refinery Company as designated on Exhibit B hereto.

Section 2.3 Instrument Air.

- (a) Fertilizer Company shall make available for purchase by Refinery Company, for use solely at the Refinery, Instrument Air at a flow rate of not less than 3mscf/minute to the extent produced by the BOC Facility and available to Fertilizer Company, at a cost to Refinery Company as designated on Exhibit B hereto and following reasonable request and notice from Refinery Company.
- (b) Refinery Company shall make available for purchase by Fertilizer Company for use solely at the Fertilizer Plant, Instrument Air to the extent that Instrument Air is not available from the BOC Facility and is available from Refinery Company at a flow rate of not less than 3 mscf/minute and at a cost to Fertilizer Company as designated on Exhibit B and following reasonable request and notice from the Fertilizer Company.
- (c) Either Fertilizer Company or Refinery Company may terminate its obligation to make Instrument Air available for purchase by the other party hereunder upon not less than twelve (12) months prior written notice to the other party.

Section 2.4 Oxygen Supply to Refinery. Fertilizer Company shall provide to Refinery Company, solely for use at the Refinery, any Oxygen produced by the BOC Facility and made available to Fertilizer Company, as determined in a commercially reasonable manner by the Fertilizer Company not to exceed 29.8 STPD, based on its then current or anticipated operational requirements for the operation of the Fertilizer Plant, which Oxygen is not required for the operation of the Fertilizer Plant, following reasonable notice from Refinery Company requesting such Oxygen, at a cost to Refinery Company as designated on Exhibit B hereto.

Section 2.5 Coke Supply to Fertilizer Plant. The terms and conditions governing Refinery Company's sales of Coke to Fertilizer Company shall be set forth in the Coke Supply Agreement.

Section 2.6 Sulfur, TKI Agreements.

(a) TKI Phase II Agreement. Refinery Company shall provide to TKI the utilities described in Section 2.6 of the TKI Phase II Agreement. Fertilizer Company shall reimburse Refinery Company for such utilities provided. Without limiting the foregoing, Fertilizer Company shall reimburse Refinery Company for electricity used by the Offsite Sulfur Recovery Unit as determined by the estimated electrical load of the Offsite Sulfur Recovery Unit, which estimated electrical load is 1,051 kilowatts. The number of kilowatts provided for in the immediately preceding sentence will be multiplied by the average rate per kilowatt hour that the Refinery Company pays for electricity times the hours the Offsite Sulfur Recovery Unit is in operation in the calendar month for which such electricity reimbursement is being calculated. Refinery Company shall send a monthly invoice for such electricity cost as calculated in this Subsection along with Fertilizer Company's allocated share (as such allocation is reasonably agreed to by the Parties) of such other utilities provided by Refinery Company to TKI as required by the TKI Phase II Agreement. Fertilizer Company shall pay each such invoice within 15 days after receipt. Refinery Company shall receive, at no cost to either Owner, all return utility streams consisting primarily of low pressure steam (but excluding sulfur from the Offsite Sulfur

Recovery Unit) and steam condensate under the TKI Phase II Agreement. Fertilizer Company shall not amend or terminate the TKI Phase II Agreement without the prior written consent of Refinery Company, which consent shall not be unreasonably withheld or delayed. Refinery Company shall not amend or terminate the TKI Phase I Agreement without the prior written consent of Fertilizer Company, which consent shall not be unreasonably withheld or delayed.

(b) Cost Sharing. The TKI General Plant and Labor Costs shall be shared equally by the Parties; provided, however, that in those instances where a particular cost can be reasonably determined to be associated with a particular Party, such Party shall bear such cost.

Section 2.7 Water.

(a) Raw Water. The allocation of raw water rights and obligations between the Fertilizer Company and the Refinery Company is provided in the Raw Water and Facilities Sharing Agreement.

(b) Sour Water. Refinery Company shall receive and process, at no cost to Fertilizer Company, all of the Sour Water produced at the Fertilizer Plant which does not exceed the volume parameters set forth on Exhibit B hereto.

(c) Refinery Supply of Fire Water. Refinery Company shall, at no cost or expense to Fertilizer Company, use reasonable efforts to keep and maintain its Fire Water systems, tanks, water inventory and equipment in such condition, repair and state of readiness so as to allow uninterrupted service to Fertilizer Company for use at the Fertilizer Plant and shall grant Fertilizer Company access to the Fire Water system for use of such system in conjunction with the Fire Water system of the Fertilizer Plant, for use in connection with Fertilizer Company's street sweeper and for use in washing down the Fertilizer Plant coke pad. The Refinery's Fire Water system and the points of access by Fertilizer Company to the Fire Water system are shown on Plot Plan A which constitutes part of Exhibit A hereto. Notwithstanding the foregoing, Fertilizer Company acknowledges and agrees that Refinery Company shall not be liable for any damages incurred resulting from its failure or inability to provide Fire Water hereunder. If the Refinery Company should cease operations of the Refinery (including the Refinery Fire Water system), Refinery Company shall provide advance notice of such cessation of operations to Fertilizer Company and Fertilizer Company may, upon notice to Refinery Company, operate such Refinery Fire Water System, at the cost and expense of the Fertilizer Company and for the benefit of the Fertilizer Company for a period of up to two years.

Section 2.8 Security. Fertilizer Company agrees to pay its pro rata share (determined as provided in Exhibit B) of security services provided under the Security Contract upon receipt of an invoice from Refinery Company for such pro rata share, as provided in Exhibit B. Refinery Company and Fertilizer Company shall also cooperate in developing and administering a mutual security plan. Refinery Company may, upon six (6) months prior written notice to Fertilizer Company, require Fertilizer Company to enter into a separate agreement for security services and adopt and administer a security plan covering solely its premises. Fertilizer Company may, upon six (6) months prior written notice to Refinery Company, terminate taking security services from Refinery Company, whereupon at the end of such six (6) month period, Fertilizer Company may cease paying Refinery Company for such security services and will

adopt and administer its own security plan. Fertilizer Company acknowledges and agrees that Refinery Company shall not be liable to Fertilizer Company for any damages, losses or other liability arising, directly or indirectly, out of the services performed by any service provider engaged by Refinery Company to perform security services, or arising, directly or indirectly, out of any mutual security plan.

Section 2.9 Hydrogen Supply to Refinery.

(a) Until the Hydrogen Reduction Date, Fertilizer Company agrees to provide to Refinery Company all of Refinery Company's net Hydrogen requirements at the Refinery (ie. Refinery Company's Hydrogen requirements at the Refinery in excess of its own Hydrogen production at the Refinery) from time to time at the flow rate and specifications, and at the price, set forth on Exhibit B. Refinery Company shall provide Fertilizer Company no later than each August 1 prior to the Hydrogen Reduction Date a good faith forecast setting forth Refinery Company's estimated monthly Hydrogen usage for the annual period starting August 1. Refinery Company shall also provide not later than the last day of each calendar month a request to Fertilizer Company setting forth Refinery Company's good faith estimate of the daily quantity of Hydrogen it requires for the succeeding calendar month. If Refinery Company decides not to take Hydrogen from Fertilizer Company in any calendar month then Refinery Company shall so notify Fertilizer Company no later than the fifteenth (15<sup>th</sup>) day of the calendar month immediately preceding the calendar month for which Refinery Company does not require Hydrogen. To the extent Refinery Company requires Hydrogen in excess of the amount set forth in any monthly notice to Fertilizer Company, Fertilizer Company shall use commercially reasonable efforts to promptly fulfill such supplemental request, provided that Fertilizer Company shall not be required to incur any additional costs in fulfilling any such supplemental request. Refinery Company shall only be invoiced for Hydrogen actually requested by and provided to Refinery Company (and shall not be liable in the event the amount requested is less than Refinery Company's good faith estimate).

(b) Commencing on the Hydrogen Reduction Date and continuing during the term of this Agreement (the "**Hydrogen Reduction Period**"):

(i) Fertilizer Company agrees to provide to Refinery Company, upon reasonable request, up to 30 mmscfd of Hydrogen (the "**Initial Requirement**") during any ten (10) consecutive day period (an "**Initial Requirement Period**"), provided that:

(A) If Fertilizer Company provides any Initial Requirement to Refinery Company during an Initial Requirement Period, then Fertilizer Company shall have no obligation to provide any further Initial Requirement to Refinery Company for a period (the "**Replenishment Period**") of thirty (30) days following the last day of the most recent Initial Requirement Period during which any Initial Requirement was provided; and

(B) Refinery Company shall pay to Fertilizer Company (in addition to the applicable price set forth on Exhibit B for Hydrogen purchased by Refinery Company from Fertilizer Company during the Hydrogen Reduction Period) a Monthly Demand Charge for each month during the Hydrogen Reduction Period



as provided in Exhibit B. Such Monthly Demand Charge shall be due and payable in advance on the first day of each calendar month during the Hydrogen Reduction Period (prorated with respect to any partial month occurring at the beginning or end of the Hydrogen Reduction Period).

(ii) To the extent that Fertilizer Company has for any Initial Requirement Period provided to Refinery Company all of the Initial Requirement that Fertilizer is required to provide pursuant to Section 2.9(b)(i), then, in addition to such Initial Requirement, Fertilizer Company agrees to provide, upon reasonable request, to Refinery Company during such Initial Requirement Period and related Replenishment Period up to an additional 30 mmscfd of Hydrogen (the "**Additional Requirement**"), provided that Refinery Company compensates Fertilizer Company through one of the following methods, as elected by the Refinery Company at the time of requesting any Hydrogen that constitutes an Additional Requirement:

(A) Refinery Company will be entitled to 67,000 scf of Hydrogen for every ST of Ammonia purchased by Refinery Company from other sources and delivered by Refinery Company to Fertilizer Company, via truck or rail, during the Hydrogen Reduction Period; or

(B) Refinery Company may purchase Hydrogen from Fertilizer Plant at the Additional Requirement Price as provided in Exhibit B.

(c) Notwithstanding the provisions of subsections (a) and (b) above, Refinery Company may also purchase Hydrogen from Fertilizer Company upon such terms and conditions as Refinery Company and Fertilizer Company may mutually agree upon in writing from time to time with respect to any single purchase, any series of purchases, or otherwise.

Section 2.10 Natural Gas. Refinery Company is a party to a "Sales and Transportation Service Agreement" dated August 27, 1992 with United Cities Gas Company (now Atmos Energy), and the City of Coffeyville ("**Gas Contract**") pursuant to which natural gas is transported to the Refinery and the Fertilizer Plant. Refinery Company will nominate and purchase natural gas transportation and natural gas supplies for the Fertilizer Company and Fertilizer Company agrees to coordinate with Refinery Company with respect to such nominations and to provide Refinery Company timely information regarding Fertilizer Company's requirements for natural gas transportation and natural gas supplies. Refinery Company shall provide Fertilizer Company with an invoice for natural gas supply and transportation services received by Fertilizer Company promptly following Refinery Company's receipt of invoices from Atmos Energy (or Refinery Company's then-current natural gas transportation provider(s)), any relevant interstate natural gas pipeline and the then current natural gas supplier(s).

At the request of either Fertilizer Company or Refinery Company, the Parties agree to use their commercially reasonable efforts to (i) add Fertilizer Company as a party to the Gas Contract or to reach some other mutually acceptable accommodation with Atmos (including, but not limited to separate natural gas transportation agreements) whereby both Refinery Company and Fertilizer Company would each be able to receive, on an individual basis, natural gas

transportation service from Atmos on similar terms and conditions as are currently set forth in the Gas Contract; and (ii) separate natural gas purchasing so that the Refinery Company and Fertilizer Company would each purchase for their own account the natural gas supplies to be delivered to the Refinery and Fertilizer Plant respectively.

Section 2.11 Railroad Tracks. Refinery Company and Fertilizer Company currently share rail services on railroad tracks that traverse the Refinery premises in part and the Fertilizer Plant premises in part, some of which railroad tracks are owned by Union Pacific and operated by South Kansas & Oklahoma Railroad, Inc., or their successors ("**Main Tracks**"), some of which railroad tracks are owned and operated by Refinery Company ("**Refinery Tracks**"), and some of which railroad tracks are owned and operated by Fertilizer Company ("**Fertilizer Tracks**"). The Parties agree to coordinate and cooperate to ensure that each Party has access to the Main Tracks, the Refinery Tracks, and the Fertilizer Tracks for the receipt of Feedstocks and delivery out of products, and to pay a mutually agreed prorated share of the costs and expense of maintaining such railroad tracks based upon an approximation of actual use. Each Party shall use its best commercially reasonable efforts to move railroad cars from the Main Tracks to the Refinery Tracks or the Fertilizer Tracks as soon as possible following arrival of such railroad cars. Each Party shall utilize such Party's own railroad sidings for the loading and unloading of any products or other items by such Party. Railroad track sharing between the Parties shall also be subject to and in accordance with the railroad trackage easements provided for in the Easement Agreement.

Section 2.12 South Administration Building, Laboratory Building, and Oil Storage Building Use and Occupancy. The Refinery Company will allow the Fertilizer Company to occupy a portion of the buildings known on the date hereof as the "South Administration Building," the "Laboratory Building," and the Oil Storage Building for, without limitation, purposes of office space, maintenance space, storage and laboratory space therein, as more specifically provided in the Lease Agreement.

### ARTICLE 3

#### TERM

Section 3.1 Term. This Agreement shall be for an initial term of twenty (20) years. The term of this Agreement shall be automatically extended following the initial term for additional successive five (5) year renewal periods, unless either party gives notice to the other party, not less than three (3) years prior to the date that any such renewal period would commence, that such party does not desire to extend and renew the term of this Agreement, in which event this Agreement shall terminate upon the expiration of the term in which the notice of nonrenewal is given.

Section 3.2 Termination. Notwithstanding Section 3.1, this Agreement may be terminated by mutual agreement of the Parties. This Agreement may also be terminated as follows:

(a) This Agreement may be terminated by one Party (the "**Terminating Party**") upon notice to the other Party (the "**Breaching Party**"), following the occurrence of an Event of

Breach with respect to the Breaching Party. For purposes hereof, an "Event of Breach" shall occur when both of the following exist: (i) a breach of this Agreement by the Breaching Party has not been cured by such Breaching Party within thirty (30) days after receipt of written notice thereof from the Terminating Party or, in the case of a breach that is not reasonably feasible to effect a cure within said 30-day period, within ninety (90) days after such receipt provided that the Breaching Party diligently prosecutes the cure of such breach; and (ii) the breach materially and adversely affects the ability of the Terminating Party to operate its Refinery or its Fertilizer Plant, as the case may be.

(b) This Agreement may be terminated by the Refinery Company effective as of the permanent termination of substantially all of the operations at the Refinery (with no intent by Refinery Company or its successor to recommence operations at the Refinery); provided, however, that notice of such permanent termination of operations shall be provided by the Refinery Company to Fertilizer Company at least twelve (12) months prior to such permanent termination.

(c) This Agreement may be terminated by the Fertilizer Company effective as of the permanent termination of substantially all of the fertilizer production operations at the Fertilizer Plant (with no intent by Fertilizer Company or its successor to recommence operations at the Fertilizer Plant); provided, however, that notice of such permanent termination of operations shall be provided by the Fertilizer Company to Refinery Company at least twelve (12) months prior to such permanent termination.

(d) This Agreement may be terminated by one Party upon notice to the other Party following (i) the appointment of a receiver for such other Party or any part of its property, (ii) a general assignment by such other Party for the benefit of creditors of such other Party, or (iii) the commencement of a proceeding under any bankruptcy, insolvency, reorganization, arrangement or other law relating to the relief of debtors by or against such other Party; provided, however, that if any such appointment or proceeding is initiated without the consent or application of such other Party, such appointment or proceeding shall not constitute a termination event under this Agreement until the same shall have remained in effect for sixty (60) days.

Section 3.3 Effects of Expiration or Termination. Refinery Company and Fertilizer Company agree that upon and after expiration or termination of this Agreement:

(a) Each Party will remain obligated to make any payment due to the other Party hereunder for any Feedstock or Service delivered to or purchased by such Party prior to termination.

(b) Liabilities of any Party arising from any act, breach or occurrence prior to termination will remain with such Party.

(c) The Parties' rights and obligations under Section 10.6 and ARTICLES 5, 6, 7, 8, 9, 11, 12 and 15 will survive the expiration or termination of this Agreement.

#### ARTICLE 4

##### PAYMENT

Section 4.1 Payment. Any amount payable hereunder shall be represented by an invoice therefor provided by the Party to receive said payment to the other Party. All such invoices shall be submitted weekly (or on such other periodic basis as the Parties may agree to in writing from time to time with respect to any particular Feedstock or Service) and set forth sufficient detail to reflect the determination of the amount payable hereunder. Unless otherwise indicated, all such invoices will be due net fifteen (15) days. The Parties shall make payment in full of the amount due under each invoice in strict compliance with the payment terms as set forth in this Agreement without any deduction for any discount or credits, contra or setoffs of any kind or amount whatsoever unless expressly authorized in writing by each Party prior to the payment date relating to such invoice(s), and except that each Party shall be entitled to offset, against any amount payable by such Party to the other Party for Feedstocks or Services hereunder or for Coke under the Coke Supply Agreement, any amounts payable from such other Party for Feedstocks or Services hereunder.

Section 4.2 Delinquencies. To the extent any amount payable under this Agreement is not paid when due, then in addition to the amount payable and in addition to all other available rights and remedies, the applicable Party also shall be obligated to pay interest on such amount payable from and after the due date for such payment until such payment is made at a rate of interest per annum equal to three percent (3%) above the Prime Rate (the "**Late Payment Rate**").

#### ARTICLE 5

##### DISPUTES

Section 5.1 Resolution of Disputes. The Parties shall in good faith attempt to resolve promptly and amicably any dispute between the Parties arising out of or relating to this Agreement (each a "**Dispute**") pursuant to this Article 5. The Parties shall first submit the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, who shall then meet within fifteen (15) days to resolve the Dispute. If the Dispute has not been resolved within forty-five (45) days after the submission of the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, the Dispute shall be submitted to a mutually agreed non-binding mediation. The costs and expenses of the mediator shall be borne equally by the Parties, and the Parties shall pay their own respective attorneys' fees and other costs. If the Dispute is not resolved by mediation within ninety (90) days after the Dispute is first submitted to the Refinery Company Representative and the Fertilizer Company Representative as provided above, then the Parties may exercise all available remedies.

Section 5.2 Multi-Party Disputes. The Parties acknowledge that they or their respective affiliates contemplate entering or have entered into various additional agreements with third parties that relate to the subject matter of this Agreement and that, as a consequence, Disputes may arise hereunder that involve such third parties (each a "**Multi-Party Dispute**"). Accordingly, the Parties agree, with the consent of such third parties, that any such Multi-Party

Dispute, to the extent feasible, shall be resolved by and among all the interested parties consistent with the provisions of this Article 5.

**ARTICLE 6**  
**INDEMNIFICATION**

Section 6.1 Indemnification Obligations. Each of the Parties (each, an **“Indemnitor”**) shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees (each, an **“Indemnitee”**) harmless from and against all liabilities, obligations, claims, losses, damages, penalties, deficiencies, causes of action, costs and expenses, including, without limitation, attorneys’ fees and expenses (collectively, **“Losses”**) imposed upon, incurred by or asserted against the person seeking indemnification that are caused by, are attributable to, result from or arise out of the breach of this Agreement by the Indemnitor or the negligence or willful misconduct of the Indemnitor, or of any officers, directors, members, managers, employees, agents, contractors and/or subcontractors acting for or on behalf of the Indemnitor. Any indemnification obligation pursuant to this Article 6 with respect to any particular Losses shall be reduced by all amounts actually recovered by the Indemnitee from third parties, or from applicable insurance coverage, with respect to such Losses. Upon making any payment to any Indemnitee, the Indemnitor shall be subrogated to all rights of the Indemnitee against any third party in respect of the Losses to which such payment relates, and such Indemnitee shall execute upon request all instruments reasonably necessary to evidence and perfect such subrogation rights. If the Indemnitee receives any amounts from any third party or under applicable insurance coverage subsequent to an indemnification payment by the Indemnitor, then such Indemnitee shall promptly reimburse the Indemnitor for any payment made or expense incurred by such Indemnitor in connection with providing such indemnification payment up to the amount received by the Indemnitee, net of any expenses incurred by such Indemnitee in collecting such amount.

Section 6.2 Indemnification Procedures.

(a) Promptly after receipt by an Indemnitee of notice of the commencement of any action that may result in a claim for indemnification pursuant to this Article 6, the Indemnitee shall notify the Indemnitor in writing within 30 days thereafter; provided, however, that any omission to so notify the Indemnitor will not relieve it of any liability for indemnification hereunder as to the particular item for which indemnification may then be sought (except to the extent that the failure to give notice shall have been materially prejudicial to the Indemnitor) nor from any other liability that it may have to any Indemnitee. The Indemnitor shall have the right to assume sole and exclusive control of the defense of any claim for indemnification pursuant to this Article 6, including the choice and direction of any legal counsel.

(b) An Indemnitee shall have the right to engage separate legal counsel in any action as to which indemnification may be sought under any provision of this Agreement and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the Indemnitor has agreed in writing to pay such fees and expenses, (ii) the Indemnitor has failed to assume the defense thereof and engage legal counsel within a reasonable period of time after being given the notice required above, or (iii) the

Indemnitee shall have been advised by its legal counsel that representation of such Indemnitee and other parties by the same legal counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same legal counsel has been proposed) due to actual or potential conflicts of interests between them. It is understood, however, that to the extent more than one Indemnitee is entitled to engage separate legal counsel at the Indemnitor's expense pursuant to clause (iii) above, the Indemnitor shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnitees having the same or substantially similar claims against the Indemnitor, unless but only to the extent the Indemnitees have actual or potential conflicting interests with each other.

(c) The Indemnitor shall not be liable for any settlement of any action effected without its written consent, but if settled with such written consent, or if there is a final judgment against the Indemnitee in any such action, the Indemnitor agrees to indemnify and hold harmless the Indemnitee to the extent provided above from and against any loss, claim, damage, liability or expense by reason of such settlement or judgment.

#### **ARTICLE 7**

##### **ASSIGNMENT**

This Agreement shall extend to and be binding upon the Parties hereto, their successors and permitted assigns. Either Party may assign its rights and obligations hereunder solely (i) to an affiliate under common control with the assigning Party, provided that any such assignment shall require the prior written consent of the other Party hereto (such consent not to be unreasonably withheld or delayed), and provided that the applicable assignee agrees, in a written instrument delivered to (and reasonably acceptable to) such other Party, to be fully bound hereby, or (ii) to a Party's lenders for collateral security purposes, provided that in the case of any such assignment each Party agrees (x) to cooperate with the lenders in connection with the execution and delivery of a customary form of lender consent to assignment of contract rights and (y) any delay or other inability of a Party to timely perform hereunder due to a restriction imposed under the applicable credit agreement or any collateral document in connection therewith shall not constitute a breach hereunder. In addition, each Party agrees that it will assign its rights and obligations hereunder to a transferee acquiring all or substantially all of the equity in or assets of the assigning Party related to the Refinery or Fertilizer Plant (as applicable), which transferee must be approved in writing by the non-assigning Party (such approval not to be unreasonably withheld or delayed) and must agree in writing (with the non-assigning Party) to be fully bound hereby.

#### **ARTICLE 8**

##### **GOVERNING LAW AND VENUE**

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SAID STATE. THE PARTIES AGREE THAT

ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT MAY BE MAINTAINED IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF KANSAS, AND EACH PARTY AGREES TO SUBMIT PERSONALLY TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY WAIVES THE DEFENSES OF FORUM NON-CONVENIENS OR IMPROPER VENUE WITH RESPECT TO ANY ACTION BROUGHT IN ANY SUCH COURT IN CONNECTION WITH THIS AGREEMENT.

#### ARTICLE 9

##### LIMITATION OF LIABILITY

In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall either Party, its employees, suppliers or subcontractors, be liable for loss of profits or revenue or special, incidental, exemplary, punitive or consequential damages; provided, however, that the foregoing limitation shall not preclude recourse to any insurance coverage maintained by the Parties pursuant to the requirements of this Agreement or otherwise.

#### ARTICLE 10

##### OPERATION OF FERTILIZER PLANT AND REFINERY

Section 10.1 Cooperation. Refinery Company and Fertilizer Company shall cause their respective personnel located at the Refinery and the Fertilizer Plant to fully cooperate with, and comply with the reasonable requests of, the other Party and its employees, agents and contractors to support such other Party's operations in a safe and efficient manner; provided, however, that nothing in this Section 10.1 shall require the expenditure of any monies other than may otherwise be required elsewhere in this Agreement. In addition, the Parties agree to (i) meet promptly following the request by either Party to develop a long term plan for the bifurcation of those properties and services that one Party or the other deems appropriate to bifurcate and (ii) cooperate fully with each other to implement such plan in an expeditious and cost effective manner. The costs of implementing any such program, such as costs and expense of negotiating with contract counterparties and legal fees, shall be borne equally unless otherwise agreed.

Section 10.2 Fertilizer Plant Operations. Subject to the express obligations of the Parties under this Agreement, no provision of this Agreement is intended as, or shall be construed to be, any agreement on the part of Fertilizer Company to operate the Fertilizer Plant in any particular manner or to continue operations at the Fertilizer Plant, all in its sole discretion; provided, however, that prior notice of any permanent termination of operations shall be provided by Fertilizer Company to the Refinery Company pursuant to Section 3.2(c).

Section 10.3 Refinery Operations. Subject to the express obligations of the Parties under this Agreement, no provision of this Agreement is intended as, or shall be construed to be, any agreement on the part of Refinery Company to operate the Refinery in any particular manner or to continue operations at the Refinery, all in its sole discretion; provided, however, that prior notice of any permanent termination of operations shall be provided by Refinery Company to the Fertilizer Company pursuant to Section 3.2(b).

Section 10.4 Suspension of Services.

(a) Temporary Suspension of Feedstock or Services for Repairs/Maintenance. The provision of one or more of the Feedstocks or Services by the Parties may be temporarily suspended for such periods of time as are necessary to carry out scheduled or unscheduled maintenance or necessary repairs or improvements to the Refinery or the Fertilizer Plant, as the case may be (each, a **“Temporary Service Suspension”**). In connection with any such Temporary Service Suspension, Refinery Company or Fertilizer Company (as applicable) may elect to reduce, interrupt, allocate, alter or change the Feedstock or Services that it is required to provide hereunder, provided that, except in the case of emergencies, the applicable Party shall deliver not less than thirty (30) days prior written notice to the other Party of any planned Temporary Service Suspension, including relevant details relating to the proposed reduction, interruption, allocation, alteration or change in the Feedstock or Services as a result of the Temporary Service Suspension. Upon the occurrence and during the continuation of Temporary Service Suspension, the parties shall cooperate to attempt to arrange for Feedstock or Services to be furnished to the other Party in an alternate manner or by a third party acceptable to affected Party, to minimize or reduce the effect of such Temporary Service Suspension on the applicable Party’s operations.

(b) Emergency Repairs. The Parties shall provide notice to the other as soon as reasonably possible (and in any event within twenty-four (24) hours) in the event of any emergency repair or unplanned required maintenance that is affecting or will affect provision of the Services. Each Party shall use commercially reasonable efforts to complete any such emergency repairs in a timely manner and to resume the provision of such Service as soon as practicable.

Section 10.5 Priority Supply. Refinery Company and Fertilizer Company shall each have priority over third parties with respect to any Feedstocks and Services to be made available to such Party (the **“Receiving Party”**) by the other Party (the **“Supplying Party”**) under this Agreement, provided that, to the extent that purchase of any particular Feedstock or Service by a Receiving Party is discretionary on the part of the Receiving Party and the Receiving Party has not purchased from the Supplying Party the quantity of the Feedstock or Service that is presently available from the Supplying Party, then the Supplying Party may offer and sell such available Feedstock or Service to a third party so long as the Supplying Party first gives to the Receiving Party written notice of such prospective offer and sale and the option to purchase such Feedstock or Service on the terms provided in this Agreement with respect to such available Feedstock or Service, provided that the Receiving Party exercises such option by written notice to the Supplying Party within five (5) days following the date Supplying Party gives its written notice to Receiving Party with respect to the available Feedstock or Service.

Section 10.6 Audit and Inspection Rights. Refinery Company and Fertilizer Company shall each (**“Requesting Party”**) have the right, upon reasonable written notice to the other Party (**“Other Party”**), to audit, examine and inspect, at reasonable times and locations, all documentation, records, equipment, facilities, and other items owned or under the control of the Other Party that are reasonably related to the Feedstocks and Services provided for under this Agreement, solely for the purpose of confirming the measurement or pricing of, or tolerances or



specifications of, any Feedstocks or Services, confirming compliance and performance by the Other Party, or exercising any rights of the Requesting Party, under this Agreement.

Section 10.7 Upgrade Costs. In the event that either Refinery Company or Fertilizer Company ("**Requiring Company**") requires that any capital or other upgrades be made by the other Party ("**Upgrading Party**") to any of the Upgrading Party's equipment or other facilities in connection with the provision of any Feedstock or Services under this Agreement, the Upgrading Party shall cooperate in implementing any such upgrades, provided that: (a) such upgrade does not adversely affect in a material respect the Upgrading Party's facilities or operations, and (b) the Requiring Party pays (on terms and conditions acceptable to the Upgrading Party) any and all costs of implementing such upgrade, and any increase in ongoing costs to the Upgrading Party (including without limitation the costs of insurance, licenses, maintenance, permits, repairs, replacements, and taxes).

Section 10.8 Successor Third Party Agreements. In the event that any of the BOC Agreement, TKI Phase I Agreement, TKI Phase II Agreement, Gas Contract, or any other agreement with or between any third parties that relates to any Feedstock or Services referred to in this Agreement, terminates prior to the termination of this Agreement, the parties shall in good faith cooperate to replace any such agreements with successor agreements with commercially similar terms, in which case reference herein to the terminated third party agreement shall be deemed a reference to the applicable successor agreement. In the event that such a successor agreement is not entered into or is entered into on terms that are not commercially similar, then the parties will negotiate in good faith to determine the terms and conditions, if any, that are commercially practicable for the applicable Feedstock or Services to be furnished by one party to the other.

## ARTICLE 11

### NOTICES

Any notice, request, correspondence, information, consent or other communication to any of the Parties required or permitted under this Agreement shall be in writing (including telex, telecopy, or facsimile), shall be given by personal service or by telex, telecopy, facsimile, overnight courier service, or certified mail with postage prepaid, return receipt requested, and properly addressed to such Party and shall be effective upon receipt. For purposes hereof the proper address of the Parties shall be the address stated beneath the corresponding Party's name below, or at the most recent address given to the other Parties hereto by notice in accordance with this Article:

If to Refinery Company, to:

Coffeyville Resources  
Refining & Marketing, LLC  
400 N. Linden St., P.O. Box 1566  
Coffeyville, Kansas 67337  
Attention: Executive Vice President,  
Refining Operations  
Facsimile: (620) 251-1456

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

If to Fertilizer Company, to:

Coffeyville Resources  
Nitrogen Fertilizers, LLC  
701 E. Martin St., P.O. Box 5000  
Coffeyville, Kansas 67337  
Attention: Executive Vice President and  
Fertilizer General Manager  
Facsimile: (620) 252-4357

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

or such other address(es) as either Party designates by registered or certified mail addressed to the other Party.

#### **ARTICLE 12**

##### **EXHIBITS**

All of the Exhibits attached hereto are incorporated herein and made a part of this Agreement by reference thereto.

#### **ARTICLE 13**

##### **FORCE MAJEURE**

Neither Party shall be liable to the other for failure of or delay in performance hereunder (except for the payment of amounts due for Feedstocks or Services hereunder) to the extent that the failure or delay is due to Force Majeure. Performance under this Agreement shall be suspended (except for the payment of amounts due for Feedstocks or Services hereunder) during the period of Force Majeure to the extent made necessary by the Force Majeure. No failure of or delay in performance pursuant to this Article 13 shall operate to extend the term of this Agreement. Performance under this Agreement shall resume to the extent made possible by the end or amelioration of the Force Majeure event.

Upon the occurrence of any event of Force Majeure, the Party claiming Force Majeure shall notify the other Party promptly in writing of such event and, to the extent possible, inform the other Party of the expected duration of the Force Majeure event and the performance to be affected by the event of Force Majeure under this Agreement. Each Party shall designate a person with the power to represent such Party with respect to the event of Force Majeure. The Party claiming Force Majeure shall use commercially reasonable efforts, in cooperation with the other Party and such Party's designee, to diligently and expeditiously end or ameliorate the Force Majeure event. In this regard, the Parties shall confer and cooperate with one another in determining the most cost-effective and appropriate action to be taken. If the Parties are unable to agree upon such determination, the matter shall be determined by dispute resolution in accordance with Article 5.

**ARTICLE 14**  
**INSURANCE**

Section 14.1 Minimum Insurance. During the term of this Agreement, Refinery Company and Fertilizer Company shall each carry the minimum insurance described below.

- (a) Workers' compensation with no less than the minimum limits as required by applicable law.
- (b) Employer's liability insurance with not less than the following minimum limits:
  - (i) Bodily injury by accident — \$1,000,000 each accident;
  - (ii) Bodily injury by disease — \$1,000,000 each employee; and
  - (iii) Bodily injury by disease — \$1,000,000 policy limit.

(c) Commercial general liability insurance on ISO form CG 00 01 10 93 or an equivalent form covering liability from premises, operations, independent contractor, property damage, bodily injury, personal injury, products, completed operations and liability assumed under an insured contract, all on an occurrence basis, with limits of liability of not less than \$1,000,000 combined single limits.

(d) Automobile liability insurance, on each and every unit of automobile equipment, whether owned, non-owned, hired, operated, or used by Refinery Company or Fertilizer Company or their employees, agents, contractors and/or their subcontractors covering injury, including death, and property damage, in an amount of not less than \$1,000,000 per accident.

- (e) Excess liability insurance in the amount of \$10,000,000 covering the risks and in excess of the limits set for in subsections 14(b), (c) and (d) above.

Section 14.2 Additional Insurance Requirements. Refinery Company and Fertilizer Company shall each abide by the following additional insurance requirements with respect to all insurance policies required by Section 14.1, as follows:

(a) All insurance policies purchased and maintained in compliance with subsection 14.1(c), (d) and (e) above by one party (the "**Insuring Party**"), as well as any other excess and/or umbrella insurance policies maintained by the Insuring Party, shall name the other party and their collective directors, officers, partners, members, managers, general partners, agents, and employees as additional insureds, with respect to any claims related to losses caused by the Insuring Party's business activities or premises. Those policies referred to in subsection 14.1(c) shall be endorsed to provide that the coverage provided by the Insuring Party's insurance carriers shall always be primary coverage and non-contributing with respect to any insurance carried by the other Party with respect to any claims related to liability or losses caused by the Insuring Party's business activities or premises.

(b) Those policies referred to in Section 14.1, and in subsection 14.2(e), shall be endorsed to provide that underwriters and insurance companies of each of Refinery Company and Fertilizer Company shall not have any right of subrogation against the other Party or any of such other Party's directors, officers, members, managers, general partners, agents, employees, contractors, subcontractors, or insurers.

(c) Those policies referred to in subsection 14.1 shall be endorsed to provide that 30 days prior written notice shall be given to the other Party in the event of cancellation, no-payment of premium, or material change in the policies.

(d) Each of Refinery Company and Fertilizer Company shall furnish the other, prior to the commencement of any operations under this Agreement, with a certificate or certificates, properly executed by its insurance carrier(s), showing all the insurance described in subsection 14.1 to be in full force and effect.

(e) The Refinery Company and Fertilizer Company shall each be responsible for its own property and business interruption insurance.

## ARTICLE 15 MISCELLANEOUS

### Section 15.1 Confidentiality.

(a) During the course of the Parties' performance hereunder, the Parties acknowledge and agree that each of them may receive or have access to confidential information of the other Party ("**Confidential Information**"). "Confidential Information" of a Party ("**First Party**") shall include any and all information relating to its business, including, but not limited to, inventions, concepts, designs, processes, specifications, schematics, equipment, reaction mechanisms, processing techniques, formulations, chemical compositions, technical information, drawings, diagrams, software (including source code), hardware, control systems, research, test results, plant layout, feasibility studies, procedures or standards, know-how, manuals, patent information, the identity of or information concerning current and prospective customers, suppliers, consultants, licensors, licensees, contractors, subcontractors and/or other agents, financial and sales information, current or planned commercial activities, business strategies, records, marketing plans, or other information relating to its business activities or operations and those of its affiliates, customers, suppliers, consultants, licensors, contractors, subcontractors, agents and/or any others to whom such First Party owes a duty of confidentiality, which (i) is identified in writing as "Confidential," "Restricted," "Proprietary Information" or other similar marking, or (ii) is known by the other Party (the "**Second Party**") to be considered confidential or proprietary, or (iii) should be known or understood to be confidential or proprietary by an individual exercising reasonable commercial judgment in the circumstances.

(b) Confidential Information of a First Party does not include information to the extent such information: (i) is or becomes generally available to and/or known by the public through no fault of the Second Party, or (ii) is or becomes generally available to the Second Party on a non-confidential basis from a source other than the First Party or its representatives,

provided that such source was not known to the Second Party to be bound by a confidentiality agreement with the First Party, or (iii) was previously known to the Second Party or its affiliates as evidenced by written records, or (iv) is or was independently developed, as evidenced by written records, by or on behalf of the Second Party or its affiliates by individuals who did not directly or indirectly receive relevant Confidential Information of the First Party. Specific disclosures shall not be deemed to be within the foregoing exceptions merely because they are embraced by more general information within the exceptions. In addition, any combination of features disclosed shall not be deemed to be within the foregoing exceptions merely because individual features may be within the exceptions.

(c) The Parties agree that: (i) as between the Parties, a First Party's Confidential Information shall remain the exclusive property of such First Party, and (ii) the Second Party shall use the First Party's Confidential Information solely for purposes of performing such Second Party's obligations under this Agreement (the "**Purpose**"), and for no other reason, and (iii) the Second Party shall limit its disclosure of the First Party's Confidential Information to those of its affiliates, employees, agents and other third parties with a "need-to-know" such information for the Purpose and shall not disclose the Confidential Information (in whole or in part) to any other party, and (iv) the Second Party shall ensure that any affiliates, employees, agents or other third parties to whom the First Party's Confidential Information is disclosed are obligated in writing to abide by confidentiality and non-use restrictions at least as stringent as those set forth in this Agreement, and (v) the Second Party shall protect the Confidential Information of the First Party to the same extent the Second Party protects its own like trade secrets and confidential information, but in no event less than commercially reasonable care.

(d) In the event a Second Party receives a request or is required by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process or legal requirement to disclose all or any part of the First Party's Confidential Information, the Second Party agrees to (i) immediately notify the First Party in writing of the existence, terms and circumstances surrounding such a request or requirement, and (ii) assist the First Party in seeking a protective order or other appropriate remedy satisfactory to the First Party (at the expense of the First Party). In the event that such protective order or other remedy is not obtained (or the First Party waives compliance with the provisions hereof), (x) the Second Party may disclose that portion of the First Party's Confidential Information which it is legally required to disclose, and (y) the Second Party shall exercise reasonable efforts to obtain assurance that confidential treatment will be accorded the Confidential Information to be disclosed, and (z) the Second Party shall give written notice to First Party of the information to be so disclosed as far in advance of its disclosure as practicable. In addition, a Second Party may disclose all or any part of the First Party's Confidential Information to the Second Party's funding sources and their representatives, provided that Second Party shall exercise reasonable efforts to obtain assurance that confidential treatment will be accorded the Confidential Information to be disclosed, and the Second Party shall give written notice to First Party of the information to be so disclosed as far in advance of its disclosure as practicable.

(e) The parties agree that any violation of this Section 15.1 by a Second Party or any affiliates, employees, agents or other third parties to whom the Confidential Information of First Party is disclosed may be enforced by the First Party by obtaining injunctive or specific relief from a court of competent jurisdiction. Such relief shall be cumulative and not exclusive of any

other remedies available to the First Party at law or in equity, including, but not limited to, damages and reasonable attorneys' fees.

Section 15.2 Headings. The headings used in this Agreement are for convenience only and shall not constitute a part of this Agreement.

Section 15.3 Independent Contractors. The Parties acknowledge and agree that neither Party, by reason of this Agreement, shall be an agent, employee or representative of the other with respect to any matters relating to this Agreement, unless specifically provided to the contrary in writing by the other Party. This Agreement shall not be deemed to create a partnership or joint venture of any kind between Refinery Company and Fertilizer Company.

Section 15.4 Ancillary Documentation, Amendments and Waiver. The Parties may, from time to time, use purchase orders, acknowledgments or other instruments to order, acknowledge or specify delivery times, suspensions, quantities or other similar specific matters concerning the Feedstocks or relating to performance hereunder, but the same are intended for convenience and record purposes only and any provisions which may be contained therein are not intended to (nor shall they serve to) add to or otherwise amend or modify any provision of this Agreement, even if signed or accepted on behalf of either Party with or without qualification. This Agreement may not be amended, modified or waived except by a writing signed by all parties to this Agreement that specifically references this Agreement and specifically provides for an amendment, modification or waiver of this Agreement. No waiver of or failure or omission to enforce any provision of this Agreement or any claim or right arising hereunder shall be deemed to be a waiver of any other provision of this Agreement or any other claim or right arising hereunder.

Section 15.5 Construction and Severability. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and in accordance with industry standards and not strictly for or against either Party. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

Section 15.6 Waiver. The waiver by either Party of any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition contained in this Agreement. No term, covenant or condition of this Agreement will be deemed to have been waived unless such waiver is in writing.

Section 15.7 No Third Party Beneficiaries. The Parties each acknowledge and agree that there are no third party beneficiaries having rights under or with respect to this Agreement, including without limitation, under the BOC Agreement, TKI I Phase I Agreement, TKI Phase II Agreement, or Gas Contract.

Section 15.8 Entire Agreement. This Agreement, including all Exhibits hereto, constitutes the entire, integrated agreement between the Parties regarding the subject matter

hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties, whether written or oral, regarding the subject matter hereof.

*[signature page follows]*

**Signature Page**  
**to**  
**Feedstock and Shared Services Agreement**

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above set forth.

COFFEYVILLE RESOURCES  
REFINING & MARKETING, LLC

COFFEYVILLE RESOURCES  
NITROGEN FERTILIZERS, LLC

By: /s/ Robert W. Haugen  
Name: Robert W. Haugen  
Title: Executive Vice President,  
Refining Operations

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

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**EXHIBIT A**  
**FACILITIES DESCRIPTION**

The Fertilizer Plant is shown on Plot Plan A attached hereto.

The Gasification Unit is shown on Plot Plan A attached hereto.

The Ammonia Synthesis Loop is shown on Plot Plan A attached hereto.

The UAN Plant is shown on Plot Plan A attached hereto.

The BOC Facility is shown on Plot Plan A attached hereto.

The Administrative and Warehouse Building is shown on Plot Plan A attached hereto.

The Feedstock Delivery Points are shown on Plot Plan A and Drawing D11-0913B attached hereto. The coke Feedstock Delivery Point is the south side of the Refinery's coke pit.

The Utility Facilities are shown on Plot Plan A attached hereto.

The Grounds are shown on Plot Plan A attached hereto.

The Offsite Sulfur Recovery Unit is shown on Plot Plan A attached hereto.

The Refinery is shown on Plot Plan A attached hereto.

**EXHIBIT B**

**ANALYSIS, SPECIFICATIONS AND PRICING FOR FEEDSTOCK AND SERVICES**

**FEEDSTOCKS:**

**Hydrogen**

- Gaseous
- Purity not less than 99.9 mol.%
- Flow 21 mmscf/day maximum
- Pressure 450 psig  $\pm$  30 psi
- Carbon Monoxide less than 50 ppm
- Carbon Dioxide less than 10 ppm
- Price The Hydrogen price shall be \$0.46 per 100scf based on an Ammonia Price of \$300.00 per short ton. The Hydrogen price per 100scf shall adjust as of the first day of each calendar month up or down in the same percentage as the Ammonia Price for the immediately preceding calendar month adjusts up or down from \$300.00 per short ton. Until the Hydrogen Reduction Date, the Hydrogen price shall be discounted to seventy percent (70%) of the Hydrogen price otherwise calculated pursuant to the foregoing provisions.
- Monthly Demand Charge (4,478) X (Ammonia Price adjusted as of each monthly due date for the Monthly Demand Charge) X (1/12 of the Prime Rate as of such monthly due date)
- Additional Requirement Price The Hydrogen price for any Additional Requirement shall be \$0.55 per 100scf based on an UAN Price of \$150.00 per short ton. The Hydrogen price per 100scf of any Additional Requirement shall adjust as of the first day of each calendar month up or down in the same percentage as the UAN Price for the immediately preceding calendar month adjusts up or down from \$150.00 per short ton.
- Flow measurement All Hydrogen flows shall be measured by a standard sharp edge orifice plate and differential pressure transmitter located at the Fertilizer Plant. The measured flow shall be pressure and temperature compensated and totalized by the Fertilizer Plant's Honeywell process control computer (TDC 3000) or any replacement computer. All transmitter signals and computer calculations are available to the Refinery through the existing communications bus for verification. Calibration of the transmitter shall be done at least annually and may be done more frequently at Refinery Company's request.

**Nitrogen**

- Gaseous	
- Purity	99.99 mol. % (minimum) (5 ppm oxygen maximum)
- Pressure	180 psig ( $\pm$ 10 psig)
- Flow	20,000 scfh (normal); 40,000 scfh (maximum)
- Temperature	Ambient
- Price	\$0.25 per cscf based on a total electric energy cost of \$0.035 per KWH; provided, however, that this price will increase or decrease in the same percentage as the Fertilizer Company's electric bill from the City of Coffeyville (or from such other electric utility provider as the Fertilizer Company may have from time to time in the future) increases or decreases on a per/KWH basis and each such price adjustment shall apply to any gaseous nitrogen sold by Fertilizer Company after the date of such adjustment to the date of the next adjustment.
- Flow measurement	All Nitrogen flows shall be measured by a standard sharp edge orifice plate and differential pressure transmitter located at the Fertilizer Plant. The measured flow shall be pressure and temperature compensated and totalized by the Fertilizer Plant's Honeywell process control computer (TDC 3000) or any replacement computer. All transmitter signals and computer calculations are available to the Refinery through the existing communications bus for verification. Calibration of the transmitter shall be done at least annually and may be done more frequently at Refinery Company's request.

**Oxygen**

-Gaseous	
-Purity	99.6 mol. % (minimum)
-Pressure	65 psig ( $\pm$ 5 psig)
-Flow	29.8 STPD (maximum)
-Temperature	Ambient
- Price	\$0 per short ton for daily tons up to 10 STPD \$70 per short ton for daily tons from 10 STPD to 29.8 STPD

Such prices per short ton are based on a total electric cost of \$0.035 per KWH; provided, however, that these prices per short ton will increase or decrease in the same percentage as the Fertilizer Company's electric bill from the City of Coffeyville (or from such other electric utility provider as the Fertilizer Company may have from time to time in the future) increases or decreases on a per/KWH basis and each such price adjustment shall apply to any gaseous Oxygen sold by Fertilizer Company after the date of such adjustment to the date of the next adjustment.

- Flow measurement

All Oxygen flows shall be measured by a standard sharp edge orifice plate and differential pressure transmitter located at the Fertilizer Plant. The measured flow shall be pressure and temperature compensated and totalized by the Fertilizer Plant's Honeywell process control computer (TDC 3000) or any replacement computer. All transmitter signals and computer calculations are available to the Refinery through the existing communications bus for verification. Calibration of the transmitter shall be done at least annually and may be done more frequently at Refinery Company's request.

**Sour water**

- Composition

.80% ammonia (maximum)  
0.05 mol. % H<sub>2</sub>S (maximum)

-Pressure

90 psig (maximum)  
35 psig (minimum)

-Temperature

125°F (normal)

-Flow

20 gpm (maximum)  
12 gpm (normal)

-Price

zero dollars (\$0)

**High Pressure Steam**

- Pressure

600 psig ± 10 psi (normal)

- Flow (Gasifier Startup)

As available, up to 75,000 pounds per hour (to Fertilizer Company)

(normal)

As available, 50,000 ± 20,000 pounds per hour (to Refinery Company)

-Price The price is dependent upon the natural gas price (symbolized by "NGP" in the formulae below) and "steam flow" in the formulae below is determined by the Fertilizer Plant's process control computer:

To Fertilizer Company: Price = (1.22)(NGP)(steam flow)/1000

To Refinery Company: Price = (1.10)(NGP)(steam flow)/1000

For purposes of determining the price of High Pressure Steam hereunder, NGP means the price for natural gas measured in dollars per MMBtu (\$/MMBtu) determined for a particular calendar month as follows: The price per MMBtu (dry) of natural gas shall be the index posting published in "Inside F.E.R.C.'s Gas Market Report," (the "**Report**") under the heading "Prices of Spot Gas delivered to Pipelines," for the applicable calendar month, for Southern Star Central Gas Pipeline, Inc. (formerly known as Williams Gas Pipelines Central, Inc.) for Texas, Oklahoma, Kansas (the "**Southern Star Index Price**"). In the event the Report ceases to be published or, for a particular month, the Report does not list the Southern Star Index Price, the Parties agree that the applicable NGP shall be the price published in the monthly edition of "Gas Daily Price Guide," in the table labeled "Monthly Contract Index" under Southern Star Central Gas Pipeline, Inc. (Texas, Oklahoma, Kansas) ("**Gas Daily Index Price**") for the applicable calendar month. In the event Gas Daily ceases to publish the Gas Daily Index Price, the applicable NGP shall be the monthly bidweek price published in the first issue of "Natural Gas Week," in the table labeled "Gas Price Report," under the heading "Delivered to Pipeline," for the applicable calendar month for Southern Star Central Gas Pipeline, Inc. The NGP shall also include the price of pipeline transportation of natural gas to the Refinery. Notwithstanding anything to the contrary set forth herein, Refinery Company shall have no obligation to pay for High Pressure Steam during periods when Refinery Company is flaring fuel gas.

- Flow measurement All High Pressure Steam flows shall be measured by a standard sharp edge orifice plate and differential pressure transmitter located at the Fertilizer Plant. The measured flow shall be totaled by the Fertilizer Plant's Honeywell process control computer (TDC 3000) or any replacement computer. All transmitter signals and computer calculations are available to the Refinery through the existing communications bus for verification. Calibration of the transmitter shall be done at least annually and may be done more frequently at Refinery Company's request.

**Low Pressure Steam**

-Flow Variable

-Pressure Approximately 120-170 psi

-Price zero dollars (\$0)

**SERVICES:**

**Firewater**

- Pressure 185 psig (maximum)  
100 psig (minimum)
- Temperature 70°F (normal)
- Flow 2,000 gpm (maximum)  
0 gpm (normal)
- Price zero dollars (\$0)

**Instrument Air**

- Purity -40°F dew point (normal operating)
- Pressure 125 psig  $\pm$  10 psi (normal operating)
- Flow 4000 scfm maximum (normal operating)
- Temperature ambient
- Price

To the Refinery Company:

\$18,000 per month (prorated on a per diem basis to reflect the number of days, including partial days, in the applicable month that Instrument Air is provided) based on \$.035 total laid in cost per KWH; provided, that this price will increase or decrease in the same percentage as the Fertilizer Company's total laid in cost for electricity from the City of Coffeyville (or from such other electric utility provider as the Fertilizer Company may have from time to time in the future) increases or decreases on a per/KWH basis and each such price adjustment shall apply to any Instrument Air sold by Fertilizer Company after the date of such adjustment until the date of the next adjustment; provided, however, that such cost shall be reduced on a pro-rata basis for each day that such Instrument Air is not available from the BOC Facility.

To the Fertilizer Company:

\$18,000 per month (prorated on a per diem basis to reflect the number of days, including partial days, in the applicable month that Instrument Air is provided) based on \$.039 total laid in cost per KWH; provided, that this price will increase or decrease in the same percentage as the Refinery Company's total cost for electricity from Kansas Gas and Electric Company (or from such other electric utility provider as the Refinery Company may have from time to time in the future) increases or decreases on a per/KWH basis and each such price adjustment shall apply to any Instrument Air sold by Refinery Company after the date of such adjustment until the date of the next adjustment.

- Flow measurement

All Instrument Air flows shall be measured by a standard sharp edge orifice plate and differential pressure transmitter located at the Fertilizer Plant. The measured flow shall be totalized by the Fertilizer Plant's Honeywell process control computer (TDC 3000) or any replacement computer. All transmitter signals and computer calculations are available to the Refinery through the existing communications bus for verification. Calibration of the transmitter shall be done at least annually and may be done more frequently at Refinery Company's request.

**Security**

Fertilizer Company shall pay Refinery Company a pro rata share of Refinery Company's direct costs of providing security services for the entire Fertilizer Plant/Refinery complex, which pro rata share shall be mutually agreed upon by the Parties based upon a commercially reasonable allocation of such costs in relation to the security services as provided to the Fertilizer Plant and the Refinery.

**RAW WATER AND FACILITIES SHARING AGREEMENT**

**THIS RAW WATER AND FACILITIES SHARING AGREEMENT** is made and entered into as of the 25<sup>th</sup> day of October, 2007, by and between Coffeyville Resources Refining & Marketing, LLC, a Delaware limited liability company ("**Refinery Company**"), and Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company ("**Fertilizer Company**").

**RECITALS**

Refinery Company owns and operates a petroleum refinery located at Coffeyville, Kansas (the "**Refinery**"). Fertilizer Company owns and operates a nitrogen fertilizer complex (the "**Fertilizer Plant**") located adjacent to the Refinery.

Refinery Company and Fertilizer Company are each owners of an undivided one-half interest in and to the following water rights (collectively, the "**Water Rights**"):

1. Kansas Vested Right File No. MG011, which authorizes the diversion of surface water from the Verdigris River at the rate and quantity set forth in such File No;
2. Kansas Approved Application for Permit to Appropriate Water, Application No. 43,782 with a priority date of May 14, 1999; and
3. Contract for Industrial Water Supply, Water Purchase Contract No. 99-5 dated December 3, 1999, originally between Farmland and the Kansas Water Office and subsequently assigned by Farmland on March 3, 2004 jointly to Refinery Company and Fertilizer Company ("**Water Contract**").

Refinery Company owns and operates certain equipment used to withdraw and transport raw water from the Verdigris River pursuant to the Water Rights, including the "**River Intake Structure**", the "**River Water Pumps**" and the "**Y Intersection**", and other raw water meters, piping and related facilities shown in the diagram set forth in Exhibit A hereto (collectively the "**Water Facilities**").

Fertilizer Company and Refinery Company desire to share the benefits and the costs of the Water Rights and Water Facilities as set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements, representations and warranties herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

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ARTICLE 1

DEFINITIONS

The following terms shall have the meanings set forth below, unless the context otherwise dictates, both for purposes of this Agreement and all Exhibits hereto:

“**Agreement**” means this Raw Water and Facilities Sharing Agreement and the Exhibit hereto, all as the same may be amended, modified or supplemented from time to time.

“**Available Raw Water**” is defined in Section 3.3.

“**Calendar Month Percentage**” is defined in Section 3.2.

“**Calendar Year Percentage**” is defined in Section 3.2.

“**Dispute**” is defined in Section 5.1.

“**Electricity Estimate**” is defined in Section 3.5(b).

“**Fertilizer Company**” is defined in the preamble.

“**Fertilizer Company Representative**” shall mean the plant manager of the Fertilizer Complex or such other person as is designated in writing by Fertilizer Company.

“**Fertilizer Plant**” is defined in the first recital, and includes any additions or other modifications made thereto from time to time.

“**Indemnitee**” is defined in Section 4.1.

“**Indemnitor**” is defined in Section 4.1.

“**Losses**” is defined in Section 4.1.

“**Multi-Party Dispute**” is defined in Section 5.2.

“**Party**” and “**Parties**” mean the parties to this Agreement.

“**Person**” means and includes natural persons, corporations, limited partners, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities.

“**Raw Water**” means water withdrawn from the Verdigris River pursuant to the Water Rights.

“**Raw Water Insufficiency**” is defined in Section 3.3.

“**Refinery**” is defined in the first recital, and includes any additions or other modifications made thereto from time to time.

“**Refinery Company**” is defined in the preamble.

“**Refinery Company Representative**” means the Plant Manager of Refinery Company or such other person as is designated in writing by Refinery Company.

“**Representative**” each of Fertilizer Company Representative and Refinery Company Representative.

“**River Intake Structure**” means the structure (including the diversion dam) in the Verdigris River upon which the River Water Pumps are situated, including any additions or other modifications made thereto from time to time.

“**River Water Pumps**” means the three river water pumps situated on the River Intake Structure and which are used to withdraw water from the Verdigris River and pump it into the Y Intersection, including any additions or other modifications made thereto from time to time.

“**Water Contract**” is defined in paragraph 3 of the second recital.

“**Water Facilities**” is defined in the third recital, and includes any additions or other modifications made thereto from time to time..

“**Water Management Team**” is defined in Article 2.

“**Water Rights**” is defined in the second recital.

“**Y Intersection**” means that portion of the Raw Water piping near the River Water Pumps, as shown in the diagram set forth in Exhibit A hereto, where the water piping splits, with one pipe leading to the Fertilizer Plant and the other pipe leading to the Refinery, including any additions or other modifications made thereto from time to time.

## ARTICLE 2

### COMPANY REPRESENTATIVES

Fertilizer Company and Refinery Company hereby respectively designate Fertilizer Company Representative and Refinery Company Representative for purposes of making determinations on behalf of Fertilizer Company and Refinery Company relating to the management, supervision and control of the Water Facilities and the Water Rights. Fertilizer Company Representative and Refinery Company Representative shall constitute the “**Water Management Team**”.

## ARTICLE 3

### RAW WATER AND FACILITIES SHARING

3.1 Operational Responsibility. Refinery Company shall have day-to-day operational responsibility for the Water Facilities and the Water Rights but shall conduct such operations at the direction of the Water Management Team. The Water Management Team shall meet on a regular basis and at any time a Representative reasonably requests a meeting to implement the provisions of this Agreement and/or to ensure compliance by the Water Facilities with applicable laws and regulations.

3.2 Measurements of Usage. The total amount of Raw Water withdrawn from the Verdigris River will be measured by a meter included as a part of the Water Facilities, and the total amount of such Raw Water supplied by the Water Facilities to the Fertilizer Plant and the Refinery, respectively, will be measured by meters on the pipes that transport the Raw Water from the Water Facilities to the Fertilizer Plant and the Refinery. Readings from such meters will be communicated to each Party electronically. For purposes of this Agreement, Raw Water will be deemed used by a Party based upon the supply of Raw Water as measured by such meters. A percentage of usage of Raw Water supplied by the Water Facilities to the Fertilizer Plant and the Refinery will be determined for each calendar month (a "**Calendar Month Percentage**") and for each calendar year (a "**Calendar Year Percentage**"), which percentages will be determined for each applicable period by dividing the amount of Raw Water supplied to a Party during such period by the total Raw Water quantity withdrawn from the Verdigris River by the Water Facilities during such period. In the event that a Party had any complete (or substantially complete) operational outage due to a planned turnaround, mechanical difficulties, or for any other reason, during any period included for purposes of computing a Calendar Month Percentage or a Calendar Year Percentage for such Party, then, notwithstanding such outage, such Party shall be deemed to have used the same amount of Raw Water during each calendar month in which such outage occurs as the Party used during the most recent full calendar month ending prior to the commencement of such outage, prorated for any partial calendar month of outage.

3.3 Allocating Water. The Fertilizer Plant and the Refinery will each be entitled to receive sufficient amounts of Raw Water each day to enable the Fertilizer Plant and the Refinery to conduct their operations at the operational levels determined to be appropriate by Fertilizer Company and Refinery Company, respectively. Each Representative shall advise the other Representative, and the Refinery Company personnel operating the Water Facilities, of the amount of Raw Water required by its respective company for its operational level. If the amount of Raw Water that the Water Facilities are capable of providing ("**Available Raw Water**") is insufficient at any time to provide the aggregate amount of Raw Water required to operate the Fertilizer Plant and the Refinery at their respective operational levels ("**Raw Water Insufficiency**"), then the Available Raw Water shall be allocated between the Fertilizer Plant and the Refinery on a prorated basis, which prorated basis shall be determined by reference to the average of the Calendar Year Percentages for the Fertilizer Plant and the Refinery, respectively, for the two full calendar year periods most recently ending prior to the date of the applicable Raw Water Insufficiency. Fertilizer Company and Refinery Company shall reasonably

cooperate in good faith to obtain sufficient Raw Water for their respective operational levels, including (without limitation) enforcement of all rights which may exist under the Water Rights.

3.4 Modifications to Facilities and Amendments to Contracts. No material modification or alterations to, or replacements of, the Water Facilities or their operations and no amendments or supplements to, or waivers of enforcement of, the provisions of the Water Rights shall be made without the written consent of each Party, which consent shall not be unreasonably withheld or delayed.

3.5 Allocation of Costs.

(a) Fertilizer Company and Refinery Company shall each pay their prorated share of all costs related to the operation, maintenance, repair, modification, alteration, or replacement of the Water Facilities and administration of the Water Rights, which costs shall include the cost of labor, materials and other costs reasonably allocable to the operation, maintenance, repair or replacement of the Water Facilities, and any charges pursuant to the Water Contract, except that payment of the cost of electricity shall be made as provided in Section 3.5(b) below. Each Party's prorated share of such costs shall be determined by reference to such Party's Calendar Year Percentage for the calendar year in which such costs are incurred. Refinery Company shall determine each Party's prorated share of costs and send an annual invoice to Fertilizer Company for Fertilizer Company's prorated share of such costs, which invoice will be due and payable within 15 days after receipt. Notwithstanding the foregoing and subject to Section 3.4, in the event that any operation, maintenance, repair, modification, alteration, or replacement of any of the Water Facilities is required solely by reason of the requirements of one Party's operations, obligations to third parties, or mandates of any governmental authority, or is caused by any acts or omissions of such Party or anyone acting for or on behalf of such Party, then such Party shall bear all costs related to such operation, maintenance, repair, modification, alteration, or replacement. Notwithstanding any payment of costs by Fertilizer Company under this Section 3.5(a), the Water Facilities shall remain the property of Refinery Company, except as otherwise provided in Section 3.6.

(b) Fertilizer Company shall reimburse Refinery Company for electricity required to operate the River Water Pumps. Such reimbursement shall be determined on a monthly basis as follows: (i) an estimate (the "**Electricity Estimate**") will be made of the amount of electricity used by the River Water Pumps for each calendar month based on the horsepower of the pumps; (ii) the Fertilizer's Calendar Month Percentage for such calendar month will be multiplied by the Electricity Estimate in order to determine the number of kilowatt hours of electricity to be allocated to the Fertilizer Plant; and (iii) the number of kilowatt hours will be multiplied by the rate per kilowatt hour the Refinery pays for electricity. Refinery Company shall send a monthly invoice for such electricity cost as calculated above to Fertilizer Company, which invoice will be due and payable within 15 days after receipt.

3.6 Termination of Sharing. Either Party (the "**Terminating Party**") may elect to terminate the sharing of the Water Facilities and Water Rights as provided in this Agreement, which termination of sharing shall be effective as of the termination date (the "**Termination**").

*Date*") specified in written notice of such election by the Terminating Party to the other Party (the "**Non-Terminating Party**"), provided that such notice shall be given at least three (3) years prior to the specified Termination Date. In the event a Terminating Party gives such a notice of termination to a Non-Terminating Party, the Parties shall proceed in good faith to do the following prior to the Termination Date:

(a) The Parties will allocate and divide the Water Rights on a commercially reasonable basis consistent with and in proportion to the average of the Calendar Year Percentages for the Fertilizer Plant and the Refinery, respectively, for the two full calendar year periods most recently ending prior to the Termination Date.

(b) The Refinery Company will grant Fertilizer Company such easements and access over the Refinery premises as Fertilizer Company may reasonably require in order to establish separate usage of the Water Rights as determined pursuant to Section 3.6(a) above, including easements and access over Refinery premises to the Verdigris River for the creation, operation, maintenance, repair and replacement, as reasonably necessary, of a separate Raw Water intake and distribution system for the Fertilizer Plant, provided that no such easements or access over the Refinery premises shall have a material adverse effect on the Refinery Company's business or operations at the Refinery.

(c) In the event that the Fertilizer Company is the Terminating Party, then the Fertilizer Company shall at its cost and expense purchase and install the additional pumps, piping, and other equipment and structures (collectively, "**New Water Facilities**") necessary for the Fertilizer Company to have a separate Raw Water intake and distribution system for the Fertilizer Plant. In the event that the Refinery Company is the Terminating Party, then the Fertilizer Company shall have the option, exercisable upon written notice to the Refinery Company at least thirty (30) months prior to the Termination Date, to either (i) purchase and install at its cost and expense New Water Facilities necessary for the Fertilizer Company to have a separate Raw Water intake and distribution system for the Fertilizer Plant, or (ii) require the Refinery Company to transfer the Water Facilities to the Fertilizer Company, as of the Termination Date, for use by the Fertilizer Company as a separate Raw Water intake and distribution system for the Fertilizer Plant, in which event the Fertilizer Company shall pay to the Refinery Company an amount equal to the depreciated value of the Water Facilities at and as of the date of transfer, as determined from the books and records of the Refinery Company, and the Refinery Company shall purchase and install at its cost and expense New Water Facilities necessary for the Refinery Company to have a separate Raw Water intake and distribution system for the Refinery. To the extent any costs and expenses are incurred by mutual agreement of the Parties for the mutual benefit of both the Water Facilities and the New Water Facilities, then any such costs and expenses shall be allocated as mutually agreed upon by the Parties.

(d) Fertilizer Company and Refinery Company shall work with, and obtain all necessary approvals from, applicable governmental agencies and authorities to the extent required to effectuate the separation of Water Rights, installation of any New Water Facilities, and other actions as contemplated in this Section 3.6.

**ARTICLE 4**  
**INDEMNIFICATION**

4.1 Indemnification Obligations. Each of the Parties (each, an “**Indemnitor**”) shall indemnify, defend and hold the other Party and its respective officers, directors, members, managers and employees (each, an “**Indemnitee**”) harmless from and against all liabilities, obligations, claims, losses, damages, penalties, deficiencies, causes of action, costs and expenses, including, without limitation, attorneys’ fees and expenses (collectively, “**Losses**”) imposed upon, incurred by or asserted against the Person seeking indemnification that are caused by, are attributable to, result from or arise out of the breach of this Agreement by the Indemnitor or the negligence or willful misconduct of the Indemnitor, or of any officers, directors, members, managers, employees, agents, contractors and/or subcontractors acting for or on behalf of the Indemnitor. Any indemnification obligation pursuant to this Article 4 with respect to any particular Losses shall be reduced by all amounts actually recovered by the Indemnitee from third parties, or from applicable insurance coverage, with respect to such Losses. Upon making any payment to any Indemnitee, the Indemnitor shall be subrogated to all rights of the Indemnitee against any third party in respect of the Losses to which such payment relates, and such Indemnitee shall execute upon request all instruments reasonably necessary to evidence and perfect such subrogation rights. If the Indemnitee receives any amounts from any third party or under applicable insurance coverage subsequent to an indemnification payment by the Indemnitor, then such Indemnitee shall promptly reimburse the Indemnitor for any payment made or expense incurred by such Indemnitor in connection with providing such indemnification payment up to the amount received by the Indemnitee, net of any expenses incurred by such Indemnitee in collecting such amount.

4.2 Indemnification Procedures.

(a) Promptly after receipt by an Indemnitee of notice of the commencement of any action that may result in a claim for indemnification pursuant to this Article 4, the Indemnitee shall notify the Indemnitor in writing within 30 days thereafter; provided, however, that any omission to so notify the Indemnitor will not relieve it of any liability for indemnification hereunder as to the particular item for which indemnification may then be sought (except to the extent that the failure to give notice shall have been materially prejudicial to the Indemnitor) nor from any other liability that it may have to any Indemnitee. The Indemnitor shall have the right to assume sole and exclusive control of the defense of any claim for indemnification pursuant to this Article 4, including the choice and direction of any legal counsel.

(b) An Indemnitee shall have the right to engage separate legal counsel in any action as to which indemnification may be sought under any provision of this Agreement and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the Indemnitor has agreed in writing to pay such fees and expenses, (ii) the Indemnitor has failed to assume the defense thereof and engage legal counsel within a reasonable period of time after being given the notice required above, or (iii) the Indemnitee shall have been advised by its legal counsel that representation of such Indemnitee and other parties by the same legal counsel would be

inappropriate under applicable standards of professional conduct (whether or not such representation by the same legal counsel has been proposed) due to actual or potential conflicts of interests between them. It is understood, however, that to the extent more than one Indemnitee is entitled to engage separate legal counsel at the Indemnitor's expense pursuant to clause (iii) above, the Indemnitor shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys at any time for all such Indemnitees having the same or substantially similar claims against the Indemnitor, unless but only to the extent the Indemnitees have actual or potential conflicting interests with each other.

(c) The Indemnitor shall not be liable for any settlement of any action effected without its written consent, but if settled with such written consent, or if there is a final judgment against the Indemnitee in any such action, the Indemnitor agrees to indemnify and hold harmless the Indemnitee to the extent provided above from and against any loss, claim, damage, liability or expense by reason of such settlement or judgment.

## ARTICLE 5

### DISPUTES

5.1 Resolution of Disputes. The Parties shall in good faith attempt to resolve promptly and amicably any dispute between the Parties arising out of or relating to this Agreement (each a "**Dispute**") pursuant to this Article 5. The Parties shall first submit the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, who shall then meet within fifteen (15) days to resolve the Dispute. If the Dispute has not been resolved within forty-five (45) days after the submission of the Dispute to the Fertilizer Company Representative and the Refinery Company Representative, the Dispute shall be submitted to a mutually agreed non-binding mediation. The costs and expenses of the mediator shall be borne equally by the Parties, and the Parties shall pay their own respective attorneys' fees and other costs. If the Dispute is not resolved by mediation within ninety (90) days after the Dispute is first submitted to the Refinery Company Representative and the Fertilizer Company Representative as provided above, then the Parties may exercise all available remedies. The foregoing procedure shall not prohibit a Party from seeking injunctive relief to enforce use of the Water Rights or the supply of Raw Water as contemplated herein while any such Dispute or any such proceedings are pending.

5.2 Multi-Party Disputes. The Parties acknowledge that they or their respective affiliates contemplate entering or have entered into various additional agreements with third parties that relate to the subject matter of this Agreement and that, as a consequence, Disputes may arise hereunder that involve such third parties (each a "**Multi-Party Dispute**"). Accordingly, the Parties agree, with the consent of such third parties, that any such Multi-Party Dispute, to the extent feasible, shall be resolved by and among all the interested parties consistent with the provisions of this Article 5.

ARTICLE 6

COOPERATION AND SUSPENSIONS

6.1 Cooperation. Fertilizer Company and Refinery Company each hereby agree reasonably to cooperate with the other in good faith in implementing and administering this Agreement. Refinery Company and Fertilizer Company shall cause their respective personnel located at the Refinery and the Fertilizer Plant to fully cooperate with, and comply with the reasonable requests of, the other Party and its employees, agents and contractors to support such other Party's operations in a safe and efficient manner; provided, however, that nothing in this Article 6 shall require the expenditure of any monies other than may otherwise be required elsewhere in this Agreement.

6.2 Suspension of Supply.

(a) Temporary Suspension for Repairs/Maintenance. The supply of Raw Water by the Water Facilities may be temporarily suspended by the Refinery Company for such periods of time as are necessary to carry out scheduled maintenance or necessary repairs or improvements to the Water Facilities. In connection with any such temporary suspension, Refinery Company may elect to reduce, interrupt, allocate, alter or change the supply of Raw Water required to be provided hereunder, provided that, except in the case of emergencies, the Refinery Company shall deliver not less than thirty (30) days prior written notice to the Fertilizer Company of any planned temporary suspension, including relevant details relating to the proposed reduction, interruption, allocation, alteration or change in the supply of Raw Water as a result of such temporary suspension. Upon the occurrence and during the continuation of such a temporary suspension, the parties shall cooperate to attempt to minimize or reduce the effect of such temporary suspension on each Party's operations.

(b) Emergency Repairs. Refinery Company shall provide notice to the Fertilizer Company as soon as reasonably possible (and in any event within twenty-four (24) hours) in the event of any emergency repair or unplanned required maintenance that is affecting or will affect provision of the Raw Water hereunder. Refinery Company shall use commercially reasonable efforts to complete any such emergency repairs in a timely manner and to resume the provision of Raw Water hereunder as soon as reasonably practicable.

(c) Operation by Fertilizer Company. In the event that the provision of Raw Water hereunder is suspended due to any inability or failure of Refinery Company (other than in connection with any suspensions contemplated in Sections 6.2(a) or (b) above) to provide Raw Water in accordance with the terms of this Agreement, then Fertilizer Company shall, during the period of such suspension, have the right to access the Water Facilities for the purpose of operating the Water Facilities in a manner consistent with the operation thereof as otherwise contemplated in this Agreement.



**ARTICLE 7**

**LIMITATION OF LIABILITY**

In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall either Party, its employees, suppliers or subcontractors, be liable for loss of profits or revenue or special, incidental, exemplary, punitive or consequential damages; provided, however, that the foregoing limitation shall not preclude recourse to any insurance coverage maintained by the Parties.

**ARTICLE 8**

**AUDIT AND INSPECTION RIGHTS**

Refinery Company and Fertilizer Company shall each ("**Requesting Party**") have the right, upon reasonable written notice to the other Party ("**Other Party**"), to audit, examine and inspect, at reasonable times and locations, all documentation, records, equipment, facilities, and other items owned or under the control of the Other Party that are reasonably related to the Water Rights or Water Facilities, solely for the purpose of confirming the measurement or pricing of, or tolerances or specifications of, any Feedstocks or Services, confirming compliance and performance by the Other Party, or exercising any rights of the Requesting Party, under this Agreement.

**ARTICLE 9**

**TERM**

The term of this Agreement shall continue until the earlier of: (a) the separation of the Water Facilities and the Water Rights into two independent sets of facilities and contractual arrangements for the benefit of Fertilizer Company and Refinery Company as provided in Section 3.6, or (b) the written agreement of Refinery Company and Fertilizer Company to terminate this Agreement. The Parties agree that upon and after any such termination of this Agreement, any liabilities of any Party arising from any act, breach or occurrence prior to termination will remain with such Party, and the Parties' rights and obligations under ARTICLES 4, 5, 7, 8, 10, 11, 12, and 14 will survive such termination of this Agreement.

**ARTICLE 10**

**ASSIGNMENT**

This Agreement shall extend to and be binding upon the Parties hereto, their successors and permitted assigns. Either Party may assign its rights and obligations hereunder solely (i) to an affiliate under common control with the assigning Party, provided that any such assignment shall require the prior written consent of the other Party hereto (such consent not to be unreasonably withheld or delayed), and provided that the applicable assignee agrees, in a written instrument delivered to (and reasonably acceptable to) such other Party, to be fully bound hereby, or (ii) to a Party's lenders for collateral security purposes, provided that in the case of any

such assignment each Party agrees (x) to cooperate with the lenders in connection with the execution and delivery of a customary form of lender consent to assignment of contract rights and (y) any delay or other inability of a Party to timely perform hereunder due to a restriction imposed under the applicable credit agreement or any collateral document in connection therewith shall not constitute a breach hereunder. In addition, each Party agrees that it will assign its rights and obligations hereunder to a transferee acquiring all or substantially all of the equity in or assets of the assigning Party related to the Refinery or Fertilizer Plant (as applicable), which transferee must be approved in writing by the non-assigning Party (such approval not to be unreasonably withheld or delayed) and must agree in writing (with the non-assigning Party) to be fully bound hereby.

#### ARTICLE 11

##### GOVERNING LAW AND VENUE

THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SAID STATE. THE PARTIES AGREE THAT ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT MAY BE MAINTAINED IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF KANSAS, AND EACH PARTY AGREES TO SUBMIT PERSONALLY TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY WAIVES THE DEFENSES OF FORUM NON-CONVENIENS OR IMPROPER VENUE WITH RESPECT TO ANY ACTION BROUGHT IN ANY SUCH COURT IN CONNECTION WITH THIS AGREEMENT.

#### ARTICLE 12

##### NOTICE

Any notice, request, correspondence, information, consent or other communication to any of the Parties required or permitted under this Agreement will be in writing (including telex, telecopy, or facsimile) and will be given by personal service or by telex, telecopy, facsimile, overnight courier service, or certified mail with postage prepaid, return receipt requested, and properly addressed to such Party and shall be effective upon receipt. For purposes hereof the proper address of the Parties will be the address stated beneath the corresponding Party's name below, or at the most recent address given to the other Parties hereto by notice in accordance with this Article:

If to Refinery Company, to:

Coffeyville Resources  
Refining & Marketing, LLC  
400 N. Linden St., P.O. Box 1566  
Coffeyville, Kansas 67337  
Attention: Executive Vice President,  
Refining Operations  
Facsimile: (620) 251-1456

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

If to Fertilizer Company, to:

Coffeyville Resources  
Nitrogen Fertilizers, LLC  
701 E. Martin St., P.O. Box 5000  
Coffeyville, Kansas 67337  
Attention: Executive Vice President and  
Fertilizer General Manager  
Facsimile: (620) 252-4357

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

or such other addresses as either Party designates by registered or certified mail addressed to the other Party.

#### **ARTICLE 13**

##### **EXHIBITS**

Exhibit A attached hereto is incorporated herein and made a part of this Agreement by reference thereto.

#### **ARTICLE 14**

##### **MISCELLANEOUS**

14.1 Headings. The headings used in this Agreement are for convenience only and shall not constitute a part of this Agreement.

14.2 Independent Contractors. The Parties acknowledge and agree that neither Party, by reason of this Agreement, shall be an agent, employee or representative of the other with respect to any matters relating to this Agreement, unless specifically provided to the contrary in writing by the other Party. This Agreement shall not be deemed to create a partnership or joint venture of any kind between Refinery Company and Fertilizer Company.

14.3 Amendments and Waiver. This Agreement may not be amended, modified or waived except by a writing signed by all Parties to this Agreement that specifically references this Agreement and specifically provides for an amendment, modification or waiver of this Agreement. No waiver of or failure or omission to enforce any provision of this Agreement or any claim or right arising hereunder shall be deemed to be a waiver of any other provision of this Agreement or any other claim or right arising hereunder.

14.4 Construction and Severability. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and in accordance with industry standards and not strictly for or against either Party. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

14.5 Waiver. The waiver by either Party of any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition contained in this Agreement. No term, covenant or condition of this Agreement will be deemed to have been waived unless such waiver is in writing.

14.6 Governing Principles. It is the general intent and agreement of the Parties that, except as otherwise expressly provided in this Agreement, Fertilizer Company shall pay the cost of performing its obligations and exercising its rights hereunder, and Refinery Company shall pay the cost of performing its obligations and exercising its rights hereunder.

14.7 Third-Party Beneficiaries. Except as expressly provided herein, none of the provisions of this Agreement are intended for the benefit of any Person except the Parties and their respective successors and permitted assigns.

14.8 Specific Performance. Recognizing that remedies at law, for any breach or threatened breach by a Party hereunder that adversely affects use of the Water Rights or the supply of Raw Water as contemplated herein, will be inadequate and each Party, in addition to such other remedies that may be available to it at law or in equity, will be entitled to injunctive relief, including a mandatory injunction, to be issued by any court of competent jurisdiction ordering compliance with this Agreement or enjoining and restraining a Party, and each and every person and entity acting in concert or participation with such Party, from such breach or continuation of such breach and, in addition thereto, such Party will, subject to Article 7, be liable to the other Party for all ascertainable damages, including costs and reasonable attorneys' fees, sustained by such other Party by reason of such breach or threatened breach.

14.9 Entire Agreement. This Agreement, including all Exhibits hereto, constitutes the entire, integrated agreement between the Parties regarding the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the Parties, whether written or oral, regarding the subject matter hereof.

*[signature page follows]*

**Signature Page**  
**to**  
**Raw Water and Facilities Sharing Agreement**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first set forth above.

COFFEYVILLE RESOURCES REFINING & MARKETING, LLC

COFFEYVILLE RESOURCES  
NITROGEN FERTILIZERS, LLC

By: /s/ Robert W. Haugen  
Name: Robert W. Haugen  
Title: Executive Vice President,  
Refining Operations

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

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**EXHIBIT A**

See attached diagram of the Verdigris River, the River Intake Structure, the River Water Pumps, the Y Intersection, and other Raw Water piping and facilities included in the "Water Facilities".

**SERVICES AGREEMENT**

This Services Agreement (this "**Agreement**") is entered into as of the 25th day of October, 2007 (the "**Effective Date**"), among CVR Partners, LP, a Delaware limited partnership ("**MLP**"), CVR GP, LLC, a Delaware limited liability company ("**Managing GP**"), CVR Special GP, LLC, a Delaware limited liability company ("**Special GP**"), and CVR Energy, Inc., a Delaware corporation ("**CVR**", and collectively with MLP and Managing GP, the "**Parties**" and each, a "**Party**").

**RECITALS**

**WHEREAS**, MLP is the owner, directly or indirectly, of Coffeyville Resources Nitrogen Fertilizers LLC, a Delaware limited liability company ("**Fertilizer**");

**WHEREAS**, CVR is the owner, directly or indirectly, of Coffeyville Resources Refining & Marketing, LLC, a Delaware limited liability company ("**Refinery**");

**WHEREAS**, Managing GP, in its capacity as the managing general partner of MLP, desires to engage CVR, on its own behalf and for the benefit of Fertilizer and MLP, to provide certain services necessary to operate the business conducted by Fertilizer, MLP and Managing GP (the "**Services Recipients**");

**WHEREAS**, Special GP, in its capacity as the special general partner of MLP, has the right to participate in the management of MLP, including through the co-appointment (with Managing GP) of the chief executive officer and chief financial officer of MLP (whether directly or as chief executive officer and chief financial officer of Managing GP) as specified in the agreement of limited partnership of MLP, and CVR (the parent of Special GP) desires to make available Mr. John J. Lipinski, its current chief executive officer, and Mr. James T. Rens, its current chief financial officer, or such of its other executive officers as it may designate in writing to the other Parties, to serve in such capacities for MLP, on the terms and conditions of this Agreement; and

**WHEREAS**, CVR is willing to undertake such engagement, subject to the terms and conditions of this Agreement.

**NOW, THEREFORE**, MLP, Managing GP (for itself and in its capacity as the general partner of MLP), Special GP, and CVR agree as follows:

**ARTICLE I****DEFINITIONS**

Section 1.01 **Terms**. The following defined terms will have the meanings given below:

"**Administrative Personnel**" means individuals who are employed by CVR or any of its Affiliates and assist in providing, as part of the Services, any of the administrative services referred to in Exhibit 1 hereto.

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“**Affiliate**” shall mean with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person. For purposes of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, through the ownership of voting securities, by contract or otherwise (provided that, solely for purposes of this Agreement, the Services Recipients shall not be deemed Affiliates of CVR).

“**Bankrupt**” with respect to any Person shall mean such Person shall generally be unable to pay its debts as such debts become due, or shall so admit in writing or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against such Person seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), shall remain undismissed or unstayed for a period of 30 days; or such Person shall take any action to authorize any of the actions set forth above.

“**CVR Representative**” means such person as is designated in writing by CVR to serve in such capacity.

“**Default Rate**” shall mean an interest rate (which shall in no event be higher than the rate permitted by applicable law) equal to 300 basis points over LIBOR.

“**Fertilizer**” has the meaning set forth in the first Recital hereinabove.

“**Fertilizer Payroll Percentage**” means, for any applicable period, the percentage represented by a fraction, the numerator of which is the total payroll amount of Fertilizer for such period, and the denominator of which is the total payroll amount of Fertilizer plus the total payroll amount of Refinery for such period, as such payroll amounts are calculated on a consistent basis for purposes of determining the Fertilizer Payroll Percentage.

“**Governmental Approval**” shall mean any material consent, authorization, certificate, permit, right of way grant or approval of any Governmental Authority that is necessary for the construction, ownership and operation of the assets used in the business of the Services Recipients in accordance with applicable Laws.

“**Governmental Authority**” shall mean any court or tribunal in any jurisdiction or any federal, state, tribal, municipal or local government or other governmental body, agency, authority, department, commission, board, bureau, instrumentality, arbitrator or arbitral body or any quasi-governmental or private body lawfully exercising any regulatory or taxing authority.

“**GP/MLP Representative**” means such person as is designated in writing by Managing GP to serve in such capacity.



“**Laws**” shall mean any applicable statute, environmental law, common law, rule, regulation, judgment, order, ordinance, writ, injunction or decree issued or promulgated by any Governmental Authority.

“**Person**” means an individual, corporation, partnership, joint venture, trust, limited liability company, unincorporated organization or other entity.

“**Personnel Costs**” means all costs incurred by an employer in connection with the employment by such employer of applicable personnel, including all payroll and benefits but excluding any Share-Based Compensation.

“**Refinery**” has the meaning set forth in the second Recital hereinabove.

“**Seconded Personnel**” means individuals, other than Administrative Personnel, who are employed by CVR or any of its Affiliates and provided on a full-time basis to the Services Recipients in connection with provision of the Services.

“**Services**” shall consist of those services performed for the Services Recipients as described on Exhibit 1 hereto.

“**Services Recipients**” has the meaning set forth in the third Recital hereinabove.

“**Share-Based Compensation**” means any compensation accruing or payable under any incentive or other compensation plan or program of an employer based upon changes in the equity value of such employer or any of its Affiliates.

“**Shared Personnel**” means individuals, other than Administrative Personnel, who are employed by CVR or any of its Affiliates and provided on a part-time basis to the Services Recipients in connection with provision of the Services.

## ARTICLE II

### RETENTION OF CVR; SCOPE OF SERVICES

Section 2.01 Retention of CVR. Managing GP, on its own behalf and for the benefit of the Services Recipients, hereby engages CVR to perform the Services and CVR hereby accepts such engagement and agrees to perform the Services and to provide all Administrative Personnel, Seconded Personnel, and Shared Personnel necessary to perform the Services.

Section 2.02 Scope of Services. The Services shall be provided in accordance with (i) applicable material Governmental Approvals and Laws, and (ii) applicable industry standards.

Section 2.03 Exclusion of Services. At any time, Managing GP or CVR may temporarily or permanently exclude any particular service from the scope of the Services upon 90 days notice.

Section 2.04 Performance of Services by Affiliates or Other Persons. The Parties hereby agree that in discharging its obligations hereunder, CVR may engage any of its Affiliates

or other Persons to perform the Services (or any part of the Services) on its behalf and that the performance of the Services (or any part of the Services) by any such Affiliate or Person shall be treated as if CVR performed such Services itself. No such delegation by CVR to Affiliates or other Persons shall relieve CVR of its obligations hereunder.

**ARTICLE III**  
**PAYMENT AMOUNT**

Section 3.01 Payment Amount. Managing GP shall pay or cause MLP or Fertilizer to pay, to CVR (or its Affiliates as CVR may direct) the amount of any direct or indirect expenses incurred by CVR or its Affiliates in connection with the provision of Services by CVR or its Affiliates (the "**Payment Amount**"), in accordance with the following:

(a) Seconded Personnel. The Payment Amount will include all Personnel Costs of Seconded Personnel, to the extent attributable to the periods during which such Seconded Personnel are provided to the Services Recipients.

(b) Shared Personnel. The Payment Amount will include a prorata share of all Personnel Costs of Shared Personnel, as determined by CVR on a commercially reasonable basis, based on the percent of total working time that such Shared Personnel are engaged in performing any of the Services.

(c) Administrative Costs. The Payment Amount will include following:

(i) Payroll. A prorata share of all Personnel Costs of Administrative Personnel engaged in performing payroll services as part of the Services, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount.

(ii) Travel. Travel expenses by Seconded Personnel, Shared Personnel or Administrative Personnel will be direct charged if applicable and a prorata share of all other travel expenses by Seconded Personnel, Shared Personnel or Administrative Personnel, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount.

(iii) Office Costs. A prorata share of all office costs (including, without limitation, all costs relating to office leases, equipment leases, supplies, property taxes and utilities) for all locations of Administrative Personnel, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount.

(iv) Insurance. Insurance premiums will be direct charged to the applicable insured, provided, however, all insurance premiums for adequate directors and officers (or equivalent) insurance for any Seconded Personnel or Shared Personnel, with liability coverage of no less than \$15 million, will be included in the Payment Amount.

(v) Outside Services. Services provided by outside vendors (including audit services, legal services, and other services) will first be direct charged where

applicable, and a prorata share of charges for all services that are provided by outside vendors and not direct charged will be included in the Payment Amount based upon the following percentages of such charges: audit services — 25%; legal services — 20%; and all other services — Fertilizer Payroll Percentage.

(vi) Other SGA Costs. A prorata share of all other sales, general and administrative costs relating to the Services Recipients, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount.

(vii) Depreciation and Amortization. A prorata share of depreciation and amortization relating to all locations of Administrative Personnel, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount following recognition of such depreciation or amortization as an expense on the books and records of CVR or its Affiliates.

(viii) Government and Public Relations. A monthly retainer of \$1,000 will be included in the Payment Amount to cover routine ordinary activities of Administrative Personnel in furtherance of government and public relations for the benefit of the Services Recipients, with related activities of Administrative Personnel being charged against such retainer at the rate of \$100 per hour.

(ix) Bank Charges and Interest Expense. Bank charges and interest expense will be direct charged as applicable.

(x) Other Costs. Other costs as reasonably incurred by CVR or its Affiliates in the provision of Services will be direct charged as applicable.

Section 3.02 Payment of Payment Amount. CVR shall submit monthly invoices to Managing GP for the Services, which invoices shall be due and payable net 15 days. Managing GP shall pay or cause MLP or Fertilizer to pay, to CVR in immediately available funds, the full Payment Amount due under Section 3.01. Past due amounts shall bear interest at the Default Rate. Allocation percentages referred to in this Article III will be calculated and determined for calendar year or calendar quarter periods, as CVR may determine, based upon CVR's annual audited financials, or quarterly unaudited financials, for the immediately preceding calendar year or calendar quarter, as applicable.

Section 3.03 Disputed Charges. MANAGING GP MAY, WITHIN 90 DAYS AFTER RECEIPT OF A CHARGE FROM CVR, TAKE WRITTEN EXCEPTION TO SUCH CHARGE, ON THE GROUND THAT THE SAME WAS NOT A REASONABLE COST INCURRED BY CVR OR ITS AFFILIATES IN CONNECTION WITH THE SERVICES. MANAGING GP SHALL NEVERTHELESS PAY OR CAUSE MLP OR FERTILIZER TO PAY IN FULL WHEN DUE THE FULL PAYMENT AMOUNT OWED TO CVR. SUCH PAYMENT SHALL NOT BE DEEMED A WAIVER OF THE RIGHT OF THE SERVICES RECIPIENT TO RECOUP ANY CONTESTED PORTION OF ANY AMOUNT SO PAID. HOWEVER, IF THE AMOUNT AS TO WHICH SUCH WRITTEN EXCEPTION IS TAKEN, OR ANY PART THEREOF, IS ULTIMATELY DETERMINED NOT TO BE A REASONABLE COST INCURRED BY CVR OR ITS AFFILIATES IN CONNECTION WITH

ITS PROVIDING THE SERVICES HEREUNDER, SUCH AMOUNT OR PORTION THEREOF (AS THE CASE MAY BE) SHALL BE REFUNDED BY CVR TO THE SERVICES RECIPIENTS TOGETHER WITH INTEREST THEREON AT THE DEFAULT RATE DURING THE PERIOD FROM THE DATE OF PAYMENT BY THE SERVICES RECIPIENTS TO THE DATE OF REFUND BY CVR.

Section 3.04 CVR's Employees. The Services Recipients shall not be obligated to pay directly to Seconded Personnel or Shared Personnel any compensation, salaries, wages, bonuses, benefits, social security taxes, workers' compensation insurance, retirement and insurance benefits, training or other expenses; provided, however, that if CVR fails to pay any employee within 30 days of the date such employee's payment is due:

(a) The Services Recipients may (i) pay such employee directly, (ii) employ such employee directly, or (iii) notify CVR that this Agreement is terminated and employ such employees directly; and

(b) CVR shall reimburse Managing GP, MLP or Fertilizer, as the case may be, for the amount Managing GP, MLP or Fertilizer, as applicable, paid to CVR with respect to employee services for which CVR did not pay any such employee.

#### ARTICLE IV

##### BOOKS, RECORDS AND REPORTING

Section 4.01 Books and Records. CVR and its Affiliates and the Services Recipients shall each maintain accurate books and records regarding the performance of the Services and calculation of the Payment Amount, and shall maintain such books and records for the period required by applicable accounting practices or law, or five (5) years, whichever is longer.

Section 4.02 Audits. CVR and its Affiliates and the Services Recipients shall have the right, upon reasonable notice, and at all reasonable times during usual business hours, to audit, examine and make copies of the books and records referred to in Section 4.01. Such right may be exercised through any agent or employee of the Person exercising such right if designated in writing by such Person or by an independent public accountant, engineer, attorney or other agent so designated. Each Person exercising such right shall bear all costs and expenses incurred by it in any inspection, examination or audit. Each Party shall review and respond in a timely manner to any claims or inquiries made by the other Party regarding matters revealed by any such inspection, examination or audit.

Section 4.03 Reports. CVR shall prepare and deliver to Managing GP any reports provided for in this Agreement and such other reports as Managing GP may reasonably request from time to time regarding the performance of the Services.

**ARTICLE V**  
**INTELLECTUAL PROPERTY**

Section 5.01 Ownership by CVR and License to MLP. Any (i) inventions, whether patentable or not, developed or invented, or (ii) copyrightable material (and the intangible rights of copyright therein) developed, by CVR, its Affiliates or its or their employees in connection with the performance of the Services shall be the property of CVR; provided, however, that MLP shall be granted an irrevocable, royalty-free, non-exclusive and non-transferable right and license to use such inventions or material; and further provided, however, that MLP shall only be granted such a right and license to the extent such grant does not conflict with, or result in a breach, default, or violation of a right or license to use such inventions or material granted to CVR by any Person other than an Affiliate of CVR. Notwithstanding the foregoing, CVR will use all commercially reasonable efforts to grant such right and license to MLP.

Section 5.02 License to CVR and its Affiliates. MLP hereby grants, and will cause its Affiliates to grant, to CVR and its Affiliates an irrevocable, royalty-free, non-exclusive and non-transferable right and license to use, during the term of this Agreement, any intellectual property provided by MLP or its Affiliates to CVR or its Affiliates, but only to the extent such use is necessary for the performance of the Services. CVR agrees that CVR and its Affiliates will utilize such intellectual property solely in connection with the performance of the Services.

**ARTICLE VI**  
**TERMINATION**

Section 6.01 Termination By Managing GP.

(a) Upon the occurrence of any of the following events, Managing GP may terminate this Agreement by giving written notice of such termination to CVR:

(i) CVR becomes Bankrupt; or

(ii) CVR dissolves and commences liquidation or winding-up.

Any termination under this Section 6.01(a) shall become effective immediately upon delivery of the notice first described in this Section 6.01(a), or such later time (not to exceed the first anniversary of the delivery of such notice) as may be specified by Managing GP.

(b) In addition to its rights under Section 6.01(b), Managing GP may terminate this Agreement at any time by giving notice of such termination to CVR. Any termination under this Section 6.01(b) shall become effective 90 days after delivery of such notice, or such later time (not to exceed the first anniversary of the delivery of such notice) as may be specified by Managing GP.

Section 6.02 Termination By CVR or Special GP. CVR or Special GP may terminate this Agreement at any time by giving notice of such termination to Managing GP. Any termination under this Section 6.02 shall become effective 90 days after delivery of such notice,

or such later time (not to exceed the first anniversary of the delivery of such notice) as may be specified by CVR or Special GP.

Section 6.03 **Effect of Termination.** If this Agreement is terminated in accordance with Section 6.01 or Section 6.02, all rights and obligations under this Agreement shall cease except for (a) obligations that expressly survive termination of this Agreement; (b) liabilities and obligations that have accrued prior to such termination, including the obligation to pay any amounts that have become due and payable prior to such termination, and (c) the obligation to pay any portion of any Payment Amount that has accrued prior to such termination, even if such portion has not become due and payable at that time.

## ARTICLE VII

### ADDITIONAL REPRESENTATIONS AND WARRANTIES

Section 7.01 **Representations and Warranties of CVR and Special GP.** Each of CVR and Special GP hereby represents, warrants and covenants to the other Parties that as of the date hereof:

(a) Each of CVR and Special GP is duly organized, validly existing, and in good standing under the laws of the State of Delaware; each of CVR and Special GP is duly qualified and in good standing in the States required in order to perform the Services except where failure to be so qualified or in good standing could not reasonably be expected to have a material adverse impact on Managing GP or MLP; and each of CVR and Special GP has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder

(b) Each of CVR and Special GP has duly executed and delivered this Agreement, and this Agreement constitutes the legal, valid and binding obligation of each such Person, enforceable against it in accordance with its terms (except as may be limited by bankruptcy, insolvency or similar laws of general application and by the effect of general principles of equity, regardless of whether considered at law or in equity); and

(c) The authorization, execution, delivery, and performance of this Agreement by each of CVR and Special GP does not and will not (i) conflict with, or result in a breach, default or violation of, (A) the amended and restated certificate of incorporation of CVR or the limited liability company agreement of Special GP, (B) any contract or agreement to which such Person is a party or is otherwise subject, or (C) any law, order, judgment, decree, writ, injunction or arbitral award to which such Person is subject; or (ii) require any consent, approval or authorization from, filing or registration with, or notice to, any governmental authority or other Person, unless such requirement has already been satisfied, except, in the case of clauses (i)(B) and (i)(C), for such conflicts, breaches, defaults or violations that would not have a material adverse effect on CVR or Special GP or on their ability to perform their obligations hereunder, and except, in the case of clause (ii), for such consents, approvals, authorizations, filings, registrations or notices, the failure of which to obtain or make would not have a material adverse effect on CVR or Special GP or on their ability to perform their obligations hereunder.

Section 7.02 Representations and Warranties of Managing GP and MLP. Each of Managing GP and MLP hereby represents, warrants and covenants to the other Parties that as of the date hereof:

(a) Each of Managing GP and MLP is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation; each of Managing GP and MLP has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder;

(b) Each of Managing GP and MLP has duly executed and delivered this Agreement, and this Agreement constitutes the legal, valid and binding obligation of each such Person enforceable against it in accordance with its terms (except as may be limited by bankruptcy, insolvency or similar laws of general application and by the effect of general principles of equity, regardless of whether considered at law or in equity); and

(c) The authorization, execution, delivery, and performance of this Agreement by each of Managing GP and MLP does not and will not (i) conflict with, or result in a breach, default or violation of, (A) the limited liability company agreement of Managing GP or the partnership agreement of MLP, (B) any contract or agreement to which such Person is a party or is otherwise subject, or (C) any law, order, judgment, decree, writ, injunction or arbitral award to which such Person is subject; or (ii) require any consent, approval or authorization from, filing or registration with, or notice to, any governmental authority or other Person, unless such requirement has already been satisfied, except, in the case of clause (i)(B) and (i)(C), for such conflicts, breaches, defaults or violations that would not have a material adverse effect on Managing GP or MLP or on their ability to perform their obligations hereunder, and except, in the case of clause (ii), for such consents, approvals, authorizations, filings, registrations or notices, the failure of which to obtain or make would not have a material adverse effect on Managing GP or MLP or on their ability to perform their respective obligations hereunder.

#### ARTICLE VIII

##### ADDITIONAL REQUIREMENTS

Section 8.01 Indemnity. The Services Recipients shall indemnify, reimburse, defend and hold harmless CVR and its Affiliates and their respective successors and permitted assigns, together with their respective employees, officers, members, managers, directors, agents and representatives (collectively the "Indemnified Parties"), from and against all losses (including lost profits), costs, damages, injuries, taxes, penalties, interests, expenses, obligations, claims and liabilities (joint or severable) of any kind or nature whatsoever (collectively "Losses") that are incurred by such Indemnified Parties in connection with, relating to or arising out of (i) the breach of any term or condition of this Agreement, or (ii) the performance of any Services hereunder; *provided, however*, that the Services Recipients shall not be obligated to indemnify, reimburse, defend or hold harmless any Indemnified Party for any Losses Incurred, by such Indemnified Party in connection with, relating to or arising out of:

(a) a breach by such Indemnified Party of this Agreement;

(b) the gross negligence, willful misconduct, bad faith or reckless disregard of such Indemnified Party in the performance of any Services hereunder; or

(c) fraudulent or dishonest acts of such Indemnified Party with respect to the Services Recipients.

The rights of any Indemnified Party referred to above shall be in addition to any rights that such Indemnified Party shall otherwise have at law or in equity. Without the prior written consent of the Services Recipients, no Indemnified Party shall settle, compromise or consent to the entry of any judgment in, or otherwise seek to terminate any, claim, action, proceeding or investigation in respect of which indemnification could be sought hereunder unless (a) such Indemnified Party indemnifies the Services Recipients from any liabilities arising out of such claim, action, proceeding or investigation, (b) such settlement, compromise or consent includes an unconditional release of the Services Recipients and Indemnified Party from all liability arising out of such claim, action, proceeding or investigation and (c) the parties involved agree that the terms of such settlement, compromise or consent shall remain confidential. In the event that indemnification is provided for under any other agreements between CVR or any of its Affiliates and any of the Services Recipients or any of their Affiliates, and such indemnification is for any particular Losses, then such indemnification (and any limitations thereon) as provided in such other agreement shall apply as to such particular Losses and shall supersede and be in lieu of any indemnification that would otherwise apply to such particular Losses under this Agreement.

Section 8.02 Limitation of Duties and Liability. The relationship of CVR to the Services Recipients pursuant to this Agreement is as an independent contractor and nothing in this Agreement shall be construed to impose on CVR, or on any of its Affiliates, or on any of their respective successors and permitted assigns, or on their respective employees, officers, members, managers, directors, agents and representatives, an express or implied fiduciary duty. CVR and its Affiliates and their respective successors and permitted assigns, together with their respective employees, officers, members, managers, directors, agents and representatives, shall not be liable for, and the Services Recipients shall not take, or permit to be taken, any action against any of such Persons to hold such Persons liable for, (a) any error of judgment or mistake of law or for any liability or loss suffered by the Services Recipients in connection with the performance of any Services under this Agreement, except for a liability or loss resulting from gross negligence, willful misconduct, bad faith or reckless disregard in the performance of the Services, or (b) any fraudulent or dishonest acts with respect to the Services Recipients. In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall CVR or its Affiliates, their respective successors and permitted assigns, or their respective employees, officers, members, managers, directors, agents and representatives, be liable for loss of profits or revenue or special, incidental, exemplary, punitive or consequential damages.

Section 8.03 Reliance. CVR and its Affiliates and their respective successors and permitted assigns, together with their respective employees, officers, members, managers, directors, agents and representatives, may take and may act and rely upon:

(a) the opinion or advice of legal counsel, which may be in-house counsel to the Services Recipients or to CVR or its Affiliates, any U.S.-based law firm, or other



legal counsel reasonably acceptable to the Boards of Directors of the Services Recipients, in relation to the interpretation of this Agreement or any other document (whether statutory or otherwise) or generally in connection with the Services Recipients;

(b) advice, opinions, statements or information from bankers, accountants, auditors, valuation consultants and other consulted Persons who are in each case believed by the relying Person in good faith to be expert in relation to the matters upon which they are consulted; or

(c) any other document provided in connection with the Services Recipients upon which it is reasonable for the applicable Person to rely.

A Person shall not be liable for anything done, suffered or omitted by it in good faith in reliance upon such opinion, advice, statement, information or document.

Section 8.04 Services to Others. While CVR is providing the Services under this Agreement, CVR shall also be permitted to provide services, including services similar to the Services covered hereby, to others, including Affiliates of CVR.

Section 8.05 Transactions With Affiliates. CVR may recommend to the Services Recipients, and may engage in, transactions with any of CVR's Affiliates; *provided*, that any such transactions shall be subject to the authorization and approval of the Services Recipients' Boards of Directors, as applicable.

Section 8.06 Sharing of Information. CVR, and its Affiliates and other agents or representatives, shall be permitted to share Services Recipients' information with its Affiliates and other Persons as reasonably necessary to perform the Services, subject to appropriate and reasonable confidentiality arrangements.

Section 8.07 Disclosure of Remuneration. CVR shall disclose the amount of remuneration of the Chief Financial Officer and any other officer or employee shared with or seconded to the Services Recipients, including the Chief Executive Officer, to the Boards of Directors of the Services Recipients to the extent required for the Services Recipients to comply with the requirements of applicable law, including applicable Federal securities laws.

Section 8.08 Additional Seconded Personnel or Shared Personnel. CVR and the Services Recipients' Boards of Directors may agree from time to time that CVR shall provide additional Seconded Personnel or Shared Personnel, upon such terms as CVR and the Services Recipients' Board of Directors may mutually agree. Any such individuals shall have such titles and fulfill such functions as CVR and the Services Recipients may mutually agree but subject to compliance with the agreement of limited partnership of MLP.

Section 8.09 Plant Personnel. Personnel performing the actual day-to-day business and operations of Fertilizer at the plant level will be employed by Fertilizer and Fertilizer will bear all Personnel Costs or other costs relating to such personnel.

Section 8.10 Election. The Services Recipients shall cause the election of any Seconded Personnel or Shared Personnel to the extent required by the organizational documents

of the Services Recipients. The Services Recipients' Board of Directors, after due consultation with CVR, may at any time request that CVR replace any Seconded Personnel and CVR shall, as promptly as practicable, replace any individual with respect to whom such Board of Directors shall have made its request, subject to the requirements for the election of officers under the organizational documents of the Services Recipients but subject to compliance with the agreement of limited partnership of MLP.

## ARTICLE IX

### DISPUTES

Section 9.01 Resolution of Disputes. The Parties shall in good faith attempt to resolve promptly and amicably any dispute between the Parties arising out of or relating to this Agreement (each a "Dispute") pursuant to this Article IX. The Parties shall first submit the Dispute to the CVR Representative and the GP/MLP Representative, who shall then meet within fifteen (15) days to resolve the Dispute. If the Dispute has not been resolved within forty-five (45) days after the submission of the Dispute to the CVR Representative and the GP/MLP Representative, the Dispute shall be submitted to a mutually agreed non-binding mediation. The costs and expenses of the mediator shall be borne equally by the Parties, and the Parties shall pay their own respective attorneys' fees and other costs. If the Dispute is not resolved by mediation within ninety (90) days after the Dispute is first submitted to the CVR Representative and the GP/MLP Representative as provided above, then the Parties may exercise all available remedies.

Section 9.02 Multi-Party Disputes. The Parties acknowledge that they or their respective affiliates contemplate entering or have entered into various additional agreements with third parties that relate to the subject matter of this Agreement and that, as a consequence, Disputes may arise hereunder that involve such third parties (each a "Multi-Party Dispute"). Accordingly, the Parties agree, with the consent of such third parties, that any such Multi-Party Dispute, to the extent feasible, shall be resolved by and among all the interested parties consistent with the provisions of this Article IX.

## ARTICLE X

### MISCELLANEOUS

Section 10.01 Notices. Except as expressly set forth to the contrary in this Agreement, all notices, requests or consents provided for or permitted to be given under this Agreement must be in writing and must be delivered to the recipient in person, by courier or mail or by facsimile, telegram, telex, cablegram or similar transmission; and a notice, request or consent given under this Agreement is effective on receipt by the Party to receive it; provided, however, that a facsimile or other electronic transmission that is transmitted after the normal business hours of the recipient shall be deemed effective on the next business day. All notices, requests and consents to be sent to MLP must be sent to Managing GP. All notices, requests and consents (including copies thereof) to be sent to Managing GP must be sent to or made at the address given below for Managing GP.

If to Managing GP or MLP, to:

Kevan A. Vick  
Executive Vice President and  
Fertilizer General Manager  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

If to CVR or Special GP, to:

John J. Lipinski  
President and CEO  
2277 Plaza Drive  
Suite 500  
Sugar Land, Texas 77479  
Facsimile: (281) 207-3491

With a copy to:

Edmund S. Gross,  
Vice President and General Counsel  
CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Facsimile: (913) 981-0000

Section 10.02 Effect of Waiver or Consent. Except as otherwise provided in this Agreement, a waiver or consent, express or implied, to or of any breach or default by any Party in the performance by that Party of its obligations under this Agreement is not a consent or waiver to or of any other breach or default in the performance by that Party of the same or any other obligations of that Party under this Agreement. Except as otherwise provided in this Agreement, failure on the part of a Party to complain of any act of another Party or to declare another Party in default under this Agreement, irrespective of how long that failure continues, does not constitute a waiver by that Party of its rights with respect to that default until the applicable statute-of-limitations period has run.

Section 10.03 Headings; References; Interpretation. All Article and Section headings in this Agreement are for convenience only and will not be deemed to control or affect the meaning or construction of any of the provisions hereof. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, will refer to this Agreement as a whole, and not to any particular provision of this Agreement. All references herein to Articles and Sections will, unless the context requires a different construction, be deemed to be references to the Articles and Sections of this Agreement, respectively. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, will include all other genders, and the singular will include the plural and vice versa. The terms "include," "includes," "including" or words of like import will be deemed to be followed by the words "without limitation."

Section 10.04 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

Section 10.05 No Third Party Rights. The provisions of this Agreement are intended to bind the parties signatory hereto as to each other and are not intended to and do not create rights

in any other person or confer upon any other person any benefits, rights or remedies, and no person is or is intended to be a third party beneficiary of any of the provisions of this Agreement.

Section 10.06 Counterparts. This Agreement may be executed in any number of counterparts, all of which together will constitute one agreement binding on the Parties.

Section 10.07 Governing Law. THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS.

Section 10.08 Submission to Jurisdiction; Waiver of Jury Trial. Subject to the provisions of Article IX, each of the Parties hereby irrevocably acknowledges and consents that any legal action or proceeding brought with respect to any of the obligations arising under or relating to this Agreement may be brought in the courts of the State of Kansas, or in the United States District Court for the District of Kansas and each of the Parties hereby irrevocably submits to and accepts with regard to any such action or proceeding, for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts. Each Party hereby further irrevocably waives any claim that any such courts lack jurisdiction over such Party, and agrees not to plead or claim, in any legal action or proceeding with respect to this Agreement or the transactions contemplated hereby brought in any of the aforesaid courts, that any such court lacks jurisdiction over such Party. Each Party irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party, at its address for notices set forth in this Agreement, such service to become effective ten (10) days after such mailing. Each Party hereby irrevocably waives any objection to such service of process and further irrevocably waives and agrees not to plead or claim in any action or proceeding commenced hereunder or under any other documents contemplated hereby that service of process was in any way invalid or ineffective. The foregoing shall not limit the rights of any Party to serve process in any other manner permitted by applicable law. The foregoing consents to jurisdiction shall not constitute general consents to service of process in the State of Kansas for any purpose except as provided above and shall not be deemed to confer rights on any Person other than the respective Parties. Each of the Parties hereby waives any right it may have under the laws of any jurisdiction to commence by publication any legal action or proceeding with respect to this Agreement. To the fullest extent permitted by applicable law, each of the Parties hereby irrevocably waives the objection which it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Agreement in any of the courts referred to in this Section 10.08 and hereby further irrevocably waives and agrees not to plead or claim that any such court is not a convenient forum for any such suit, action or proceeding. The Parties agree that any judgment obtained by any Party or its successors or assigns in any action, suit or proceeding referred to above may, in the discretion of such Party (or its successors or assigns), be enforced in any jurisdiction, to the extent permitted by applicable law. The Parties agree that the remedy at law for any breach of this Agreement may be inadequate and that should any dispute arise concerning any matter hereunder, this Agreement shall be enforceable in a court of equity by an injunction or a decree of specific performance. Such remedies shall, however, be cumulative and nonexclusive, and shall be in addition to any other remedies which the Parties may have. Each Party hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation as between the Parties directly or

indirectly arising out of, under or in connection with this Agreement or the transactions contemplated hereby or disputes relating hereto. Each Party (i) certifies that no representative, agent or attorney of any other Party has represented, expressly or otherwise, that such other Party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other Parties have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this [Section 10.08](#).

Section 10.09 [Remedies to Prevailing Party](#). If any action at law or equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

Section 10.10 [Severability](#). If any provision of this Agreement or the application thereof to any Person or any circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

Section 10.11 [Amendment or Modification](#). This Agreement may be amended or modified from time to time only by the written agreement of all the Parties.

Section 10.12 [Integration](#). This Agreement and the exhibit referenced herein supersede all previous understandings or agreements among the Parties, whether oral or written, with respect to its subject matter. This Agreement and such exhibit contain the entire understanding of the Parties with respect to its subject matter. In the case of any actual conflict or inconsistency between the terms of this Agreement and the agreement of limited partnership of MLP, the terms of the agreement of limited partnership of MLP shall control. No understanding, representation, promise or agreement, whether oral or written, is intended to be or will be included in or form part of this Agreement unless it is contained in a written amendment hereto executed by the Parties after the date of this Agreement.

Section 10.13 [Further Assurances](#). In connection with this Agreement and the transactions contemplated hereby, each Party shall execute and deliver any additional documents and instruments and perform any additional acts that may be reasonably necessary or appropriate to effectuate and perform the provisions of this Agreement and those transactions.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties as of the date first written above.

CVR PARTNERS, LP

By: CVR GP, LLC  
its Managing General Partner

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

CVR GP, LLC

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

CVR SPECIAL GP, LLC

By: Coffeyville Resources, LLC  
its sole member

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

CVR ENERGY, INC.

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

SERVICES AGREEMENT  
SIGNATURE PAGE

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The Services shall include the following:

- services in capacities equivalent to the capacities of corporate executive officers, except that the persons serving in such capacities shall serve in such capacities as Shared Personnel on a shared, part-time basis only, unless and to the extent otherwise agreed by CVR;
  - safety and environmental advice;
  - administrative and professional services, including legal, accounting, human resources, insurance, tax, credit, finance, government affairs, and regulatory affairs;
  - manage the Services Recipients' day-to-day business and operations, including managing its liquidity and capital resources and compliance with applicable law;
  - establishing and maintaining books and records of the Services Recipients in accordance with customary practice and GAAP;
  - recommend to the Services Recipients' Board of Directors (x) capital raising activities, including the issuance of debt or equity securities of the Services Recipients, the entry into credit facilities or other credit arrangements, structured financings or other capital market transactions, (y) changes or other modifications in the capital structure of the Services Recipients, including repurchases;
  - recommend to the Services Recipients' Board of Directors the engagement of or, if approval is not otherwise required hereunder, engage agents, consultants or other third party service providers to the Services Recipients, including accountants, lawyers or experts, in each case, as may be necessary by the Services Recipients from time to time;
  - manage the Services Recipients' property and assets in the ordinary course of business;
  - manage or oversee litigation, administrative or regulatory proceedings, investigations or any other reviews of the Services Recipients' business or operations that may arise in the ordinary course of business or otherwise, subject to the approval of the Services Recipients' Board of Directors to the extent necessary in connection with the settlement, compromise, consent to the entry of an order or judgment or other agreement resolving any of the foregoing;
  - establish and maintain appropriate insurance policies with respect to the Services Recipients' business and operations;
-

- recommend to the Services Recipients' Board of Directors the payment of dividends or other distributions on the equity interests of the Services Recipients;
- attend to the timely calculation and payment of taxes payable, and the filing of all taxes return due, by the Services Recipients; and
- manage or provide advice or recommendations for other projects of the Services Recipients, as may be agreed to between Managing GP and CVR from time to time.



OMNIBUS AGREEMENT

among

CVR ENERGY, INC.

CVR GP, LLC

CVR PARTNERS, LP

and

CVR SPECIAL GP, LLC

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## OMNIBUS AGREEMENT

THIS OMNIBUS AGREEMENT (this "Agreement") is entered into as of October 24, 2007, and effective as of the Closing Date (as defined herein), and is by and among CVR Energy, Inc., a Delaware corporation ("CVR"), CVR GP, LLC, a Delaware limited liability company (the "Managing General Partner"), CVR Partners, LP, a Delaware limited partnership (the "Partnership") and CVR Special GP, LLC, a Delaware limited liability company ("Special General Partner"). The above-named entities are sometimes referred to in this Agreement each as a "Party" and collectively as the "Parties."

### RECITALS:

The Parties desire by their execution of this Agreement to evidence their agreement, as more fully set forth in Article II, with respect to those business opportunities that the CVR Entities (as defined herein) will not engage in during the term of this Agreement unless the Partnership Entities have declined to engage in any such business opportunities for their own account.

The Parties desire by their execution of this Agreement to evidence their agreement, as more fully set forth in Article II, with respect to those business opportunities that the Partnership Entities (as defined herein) will not engage in during the term of this Agreement unless the CVR Entities have declined to engage in any such business opportunities for their own account.

In consideration of the premises and the covenants, conditions, and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

### ARTICLE I DEFINITIONS

#### Section 1.1 *Definitions.*

Capitalized terms used herein but not defined shall have the meanings given them in the Partnership Agreement. As used in this Agreement, the following terms shall have the respective meanings set forth below:

"Acquiring Party" is defined in Section 2.5(a).

"Affiliate" is defined in the Partnership Agreement.

"Break-up Costs" means the aggregate amount of any and all additional taxes and other similar costs to (a) the CVR Entities that would be required to transfer Fertilizer Assets acquired by the CVR Entities as part of a larger transaction to a Partnership Group Member pursuant to Section 2.2(b) or (b) the Partnership Group that would be required to transfer Refinery Assets acquired by the Partnership Group as part of a larger transaction to a CVR Entity pursuant to Section 2.4(a).

"Closing Date" is defined in the Partnership Agreement.

"Code" means Internal Revenue Code of 1986, as amended.

"Contribution Agreement" means that certain Contribution, Conveyance and Assumption Agreement, dated as of the date hereof, among the Managing General Partner, the Partnership, the Special General Partner and Coffeyville Resources, together with the additional conveyance documents and instruments contemplated or referenced thereunder.

"control" 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 ownership of voting securities, by contract, or otherwise.

"CVR" is defined in the introduction to this Agreement.

"CVR Entities" means CVR and any Person controlled, directly or indirectly, by CVR other than the Partnership Entities.

"CVR Entity" means any of the CVR Entities.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fertilizer Restricted Businesses" is defined in Section 2.1.

"Fertilizer Asset" any asset or group of related assets used in any Fertilizer Restricted Business.

"Limited Partner" is defined in the Partnership Agreement.

"Managing General Partner" is defined in the introduction to this Agreement.

"Offer Period" is defined in Section 2.5(e).

"Offered Assets" is defined in Section 2.5(a).

"Offeree" is defined in Section 2.5(a).

"Other Business Opportunity" means a business opportunity with respect to any assets other than Fertilizer Assets or Refinery Assets.

"Other Business Opportunity Information" is defined in Section 2.6.

"Partnership Agreement" means the First Amended and Restated Agreement of Limited Partnership of CVR Partners, LP, dated as of October 26, 2007, as such agreement is in effect on the Closing Date, to which reference is hereby made for all purposes of this Agreement. No amendment or modification to the Partnership Agreement subsequent to the Closing Date shall be given effect for the purposes of this Agreement unless consented to in writing by each of the Parties to this Agreement.

“*Partnership Entities*” means the Managing General Partner and each member of the Partnership Group.

“*Partnership Entity*” means any of the Partnership Entities.

“*Partnership Group*” means the Partnership and its Subsidiaries treated as a single entity.

“*Partnership Group Member*” means any member of the Partnership Group.

“*Party*” and “*Parties*” are defined in the introduction to this Agreement.

“*Person*” means an individual or a corporation, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

“*Refinery Restricted Businesses*” is defined in Section 2.3.

“*Refinery Asset*” means any asset or group of related assets used in any Refinery Restricted Business.

“*Restricted Business*” means, as applicable, the Refinery Restricted Business or the Fertilizer Restricted Business.

“*Retained Assets*” means any assets and investments owned or operated by any of the CVR Entities as of the Closing Date that were not conveyed, contributed or otherwise transferred to the Partnership Group prior to or on the Closing Date pursuant to the Contribution Agreement or otherwise.

“*Special General Partner*” is defined in the introduction to this Agreement.

“*Special General Partner Interest*” is defined in the Partnership Agreement.

“*Subsidiary*” means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general or limited partner of such partnership, but only if more than 50% of the partnership interests of such partnership (considering all of the partnership interests of the partnership as a single class) is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person, or a combination thereof, or (c) any other Person (other than a corporation or a partnership) in which such Person, one or more Subsidiaries of such Person, or a combination thereof, directly or indirectly, at the date of determination, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors or other governing body of such Person.

“transfer” including the correlative terms “transferring” or “transferred” means any direct or indirect transfer, assignment, sale, gift, pledge, hypothecation or other encumbrance, or any other disposition (whether voluntary, involuntary or by operation of law) of any assets, properties or rights.

**ARTICLE II  
BUSINESS OPPORTUNITIES**

Section 2.1 *Fertilizer Restricted Businesses*. For so long as any CVR Entity continues to own at least 50% of the Outstanding Units of the Partnership, and except as permitted by Section 2.2, each of the CVR Entities shall be prohibited from engaging in, whether by acquisition, construction, investment in debt or equity securities of any Person or otherwise, any business having assets engaged in the following businesses (the “*Fertilizer Restricted Businesses*”): the production, transportation or distribution, on a wholesale basis, of fertilizer in the contiguous United States.

Section 2.2 *Fertilizer Permitted Exceptions*. Notwithstanding any provision of Section 2.1 to the contrary, the CVR Entities may engage in the following activities under the following circumstances:

- (a) the ownership and/or operation of any of the Retained Assets (including replacements and natural extensions of the Retained Assets);
- (b) engaging in any Fertilizer Restricted Business acquired by a CVR Entity as part of a business or package of assets after the Closing Date if the fair market value of the Fertilizer Assets represents less than a majority of the fair market value of the total assets or business acquired (fair market value as determined in good faith by the board of directors of CVR); provided the Partnership Group will be offered the opportunity to acquire such Fertilizer Assets in accordance with Section 2.5;
- (c) engaging in any Fertilizer Restricted Business subject to the offer to the Partnership Group set forth in Section 2.5 pending the Managing General Partner’s determination whether to cause any Partnership Group Member to accept such offer and pending the closing of any offers any Partnership Group Member accepts;
- (d) engaging in any Fertilizer Restricted Business with respect to which the Managing General Partner has advised CVR that the Managing General Partner’s board of directors has elected not to cause a Partnership Group Member to acquire (or seek to acquire); and
- (e) the purchase and ownership of up to 9.9% of any class of securities of any publicly-traded entity engaged in any Fertilizer Restricted Business.

Section 2.3 *Refinery Restricted Businesses*. For so long as any CVR Entity continues to own at least 50% of the Outstanding Units of the Partnership and except as permitted by Section 2.4, each of the Partnership Entities shall be prohibited from, whether by acquisition, construction, investment in debt or equity securities of any Person or otherwise, engaging in the following businesses (the “*Refinery Restricted Businesses*”):

- (a) the ownership or operation within the United States of any refinery with processing capacity greater than 20,000 barrels per day whose primary business is producing transportation fuels; or
- (b) the ownership or operation outside the United States of any refinery.

Section 2.4 *Refinery Permitted Exceptions*. Notwithstanding any provision of Section 2.3 to the contrary, the Partnership Entities may engage in the following activities under the following circumstances:

(a) engaging in any Refinery Restricted Business acquired by a Partnership Entity as part of a business or package of assets after the Closing Date if the fair market value of the Refinery Assets represents less than a majority of the fair market value of the total assets or business acquired (fair market value as determined in good faith by the board of directors of the Managing General Partner); provided the CVR Entities will be offered the opportunity to acquire such Refinery Assets in accordance with Section 2.5;

(b) engaging in any Refinery Restricted Business subject to the offer to the CVR Entities set forth in Section 2.5 pending CVR’s determination whether to cause any CVR Entity to accept such offer and pending the closing of any offers any Partnership Entity accepts;

(c) engaging in any Refinery Restricted Business with respect to which CVR has advised the Managing General Partner that CVR’s board of directors has elected not to cause a CVR Entity to acquire (or seek to acquire); and

(d) the purchase and ownership of up to 9.9% of any class of securities of any publicly-traded entity engaged in any Refinery Restricted Business.

Section 2.5 *Procedures*.

(a) In the event that (i) a CVR Entity acquires Fertilizer Assets described in Section 2.2(b), or (ii) a Partnership Group Member acquires any Refinery Assets described in Section 2.4(a), then as soon as reasonably practicable, but in any event within 365 days of the closing of the acquisition, such acquiring Party (the “*Acquiring Party*”) shall notify (A) the Managing General Partner, in the case of an acquisition by a CVR Entity or (B) CVR, in the case of an acquisition by a Partnership Group Member, in writing of such acquisition and offer such party to be notified (each an “*Offeree*”) the opportunity for the Offeree (or, in the case of the Managing General Partner, any Partnership Group Member and, in the case of CVR, any other CVR Entity) to purchase such Fertilizer Assets or Refinery Assets, as applicable (the “*Offered Assets*”).

(b) The purchase price for any Offered Assets shall be the Offered Assets' fair market value (plus any Break-up Costs).

(c) The Offer shall set forth the Acquiring Party's proposed terms relating to the purchase of the Offered Assets by the Offeree (or, in the case of the Managing General Partner, any Partnership Group Member and, in the case of CVR, any other CVR Entity), including any liabilities to be assumed by the Offeree as part of the Offer.

(d) As soon as practicable after the Offer is made, the Acquiring Party will deliver to the Offeree all information prepared by or on behalf of or in the possession of such Acquiring Party relating to the Offered Assets and reasonably requested by the Offeree. As soon as practicable, but in any event, within 90 days after receipt of such notification, the Offeree shall notify the Acquiring Party in writing that either

(i) the Offeree has elected not to purchase (or not to cause any of its permitted Affiliates to purchase) the Offered Assets, in which event the Acquiring Party and its Affiliates shall, subject to the other terms of this Agreement, be forever free to continue to own or operate such Offered Assets; or

(ii) the Offeree has elected to purchase (or to cause any of its permitted Affiliates to purchase) the Offered Assets, in which event the procedures set forth in Section 2.5(e) shall be followed.

(e) In the event of a proposed purchase pursuant to Section 2.5(d)(ii):

(i) After the receipt of the Offer by the Offeree, the Acquiring Party and the Offeree shall negotiate in good faith to agree upon the fair market value (and any Break-up Costs) of the Offered Assets that are subject to the Offer and the other terms of the Offer on which the Offered Assets will be sold to the Offeree. If the Acquiring Party and the Offeree agree on the fair market value of the Offered Assets that are subject to the Offer and the other terms of the Offer during the 30-day period after receipt by the Acquiring Party of the Offeree's election to purchase (or to cause any permitted Affiliate of the Offeree to purchase) the Offered Assets (the "*Offer Period*"), the Offeree shall purchase (or cause any of its permitted Affiliates to purchase) the Offered Assets on such terms as soon as commercially practicable after such agreement has been reached.

(ii) If the Acquiring Party and the Offeree are unable to agree on the fair market value (and any Break-up Costs) of the Offered Assets that are subject to the Offer or on any other terms of the Offer during the Offer Period, the Acquiring Party and the Offeree will engage an independent investment banking firm or other appraisal firm to determine the fair market value (and any Break-up Costs) of the Offered Assets and/or the other terms on which the Acquiring Party and the Offeree are unable to agree. In determining the fair market value of the Offered Assets and other terms on which the Offered Assets are to be sold, the investment banking firm or other appraisal firm will have access to the proposed sale and purchase values and terms for the Offer submitted by the Acquiring Party and the Offeree, respectively, and to all information prepared by or on behalf of the Acquiring Party relating to the Offered Assets and reasonably

requested by such investment banking firm or other appraisal firm and shall be permitted to consider the purchase price paid by the Acquiring Party for the Offered Assets. Such investment banking firm or other appraisal firm will determine the fair market value (and any Break-up Costs) of the Offered Assets and/or the other terms on which the Acquiring Party and the Offeree are unable to agree within 60 days of its engagement and furnish the Acquiring Party and the Offeree its determination. The fees and expenses of the investment banking firm will be divided equally between the Acquiring Party and the Offeree. Upon receipt of such determination, the Offeree will have the option, but not the obligation, to purchase the Offered Assets for the fair market value (and any Break-up Costs) and on the other terms determined by the investment banking firm or other appraisal firm, as soon as commercially practicable after determinations have been made. The Offeree will provide written notice of its decision to the Acquiring Party within 30 days after the investment banking firm or other appraisal firm has submitted its determination and if the Offerree. Failure to provide such notice within such 30-day period shall be deemed to constitute a decision not to purchase the Offered Assets. If the Offeree decides to purchase the Offered Assets the Offeree shall purchase (or cause any of its permitted Affiliates to purchase) the Offered Asset as soon as commercially practicable after it has provided such notice.

Section 2.6 *Other Business Opportunities*. For so long as any CVR Entity continues to own at least 50% of the Outstanding Units of the Partnership and except as permitted by Section 2.4, if any CVR Entity is presented with an opportunity to pursue, purchase or invest in any Other Business Opportunity, such CVR Entity shall give prompt written notice to the Managing General Partner, of the Other Business Opportunity. Such notice shall set forth all information available to any CVR Entity including, but not limited to, the identity of the Other Business Opportunity and its seller, the proposed price, all written information about the Other Business Opportunity provided to any CVR Entity by and on behalf of the seller as well as any information or analyses compiled by any CVR Entity from other sources (such information referred to collectively herein as "*Other Business Opportunity Information*"). The CVR Entities shall continue to provide to the Managing General Partner, promptly any and all Other Business Opportunity Information subsequently received. The Parties shall maintain the confidentiality of all such Other Business Opportunity Information, subject to compliance with applicable law. As soon as practicable but in any event within thirty (30) days after receipt of such initial notification and information, the Managing General Partner, on behalf of the Partnership Group, shall notify CVR that either (a) the Managing General Partner has elected to cause a member of the Partnership Group to pursue the opportunity to acquire or invest in the Other Business Opportunity or (b) the Managing General Partner has elected not to cause a member of the Partnership Group to pursue the opportunity to acquire or invest in the Other Business Opportunity. If, at any time, the Managing General Partner or the Partnership Group Member abandons such opportunity (as evidenced in writing by the Managing General Partner following the request of any CVR Entity), any CVR Entity may pursue such opportunity without time limit. In no event shall any provision of this Agreement require the Managing General Partner to approve any expansion of the purpose of the Partnership, other than in its sole discretion, as set forth in Section 2.4 of the Partnership Agreement.



Section 2.7 *Scope of Prohibition*. If any CVR Entity or Partnership Entity engages in a Restricted Business pursuant to any of the exceptions described in Section 2.2 or Section 2.4, as applicable, such CVR Entity or Partnership Entity may not subsequently expand that portion of their business except (i) pursuant to the exceptions contained in such Sections Section 2.2 or Section 2.4 or (ii) to maintain or improve their facilities comprising the Restricted Business or to expand their facilities with additional facilities or assets that are physically connected, in a material manner, with the existing facilities comprising the Restricted Business. Except as otherwise provided in this Agreement and the Partnership Agreement, each CVR Entity and Each Partnership Entity shall be free to engage in any business activity whatsoever, including those that may be in direct competition with the CVR Entities or the Partnership Group

Section 2.8 *Enforcement*. Each Party agrees and acknowledges that the other Parties do not have an adequate remedy at law for the breach by any Party of its covenants and agreements set forth in this Article II, and that any breach by any Party of its covenants and agreements set forth in this Article II would result in irreparable injury to the other Parties. Each Party further agrees and acknowledges that any other Party may, in addition to the other remedies which may be available to such other Party, file a suit in equity to enjoin the breaching Party from such breach, and consent to the issuance of injunctive relief relating to this Agreement. No Person, directly or indirectly controlled thereby shall be liable for the failure of any other Person, directly or indirectly, controlled thereby to comply with this Article II.

**ARTICLE III**  
**MISCELLANEOUS**

Section 3.1 *Choice of Law; Submission to Jurisdiction*. This Agreement shall be subject to and governed by the laws of the State of New York. THE PARTIES AGREE THAT ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT MAY BE MAINTAINED IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF KANSAS, AND EACH PARTY AGREES TO SUBMIT PERSONALLY TO THE JURISDICTION OF ANY SUCH COURT AND HEREBY WAIVES THE DEFENSES OF FORUM NON-CONVENIENS OR IMPROPER VENUE WITH RESPECT TO ANY ACTION BROUGHT IN ANY SUCH COURT IN CONNECTION WITH THIS AGREEMENT.

Section 3.2 *Notice*. All notices or other communications required or permitted under, or otherwise in connection with, this Agreement must be in writing and must be given by depositing same in the U.S. mail, addressed to the Person to be notified, postpaid and registered or certified with return receipt requested or by transmitting by national overnight courier or by delivering such notice in person or by facsimile to such Party. Notice given by mail, national overnight courier or personal delivery shall be effective upon actual receipt. Notice given by facsimile shall be effective upon

confirmation of receipt when transmitted by facsimile if transmitted during the recipient's normal business hours or at the beginning of the recipient's next business day after receipt if not transmitted during the recipient's normal business hours. All notices to be sent to a Party pursuant to this Agreement shall be sent to or made at the address set forth below or at such other address as such Party may stipulate to all other Parties in the manner provided in this Section 3.2.

if to the CVR Entities:

CVR Energy, Inc.  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

if to the Partnership Entities

CVR GP, LLC  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

Section 3.3 *Entire Agreement*. This Agreement constitutes the entire agreement of the Parties relating to the matters contained herein, superseding all prior contracts or agreements, whether oral or written, relating to the matters contained herein.

Section 3.4 *Amendment or Modification*. This Agreement may be amended or modified from time to time only by the written agreement of all the Parties hereto. Each such instrument shall be reduced to writing and shall be designated on its face an "Amendment" or an "Addendum" to this Agreement.

Section 3.5 *Assignment*. No Party shall have the right to assign any of its rights or obligations under this Agreement without the consent of the other Parties hereto.

Section 3.6 *Counterparts*. This Agreement may be executed in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

Section 3.7 *Severability*. If any provision of this Agreement shall be held invalid or unenforceable by a court or regulatory body of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.

Section 3.8 *Further Assurances*. In connection with this Agreement and all transactions contemplated by this Agreement, each signatory party hereto agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and all such transactions.

Section 3.9 *Rights of Limited Partners; Third Party Beneficiaries*. The provisions of this Agreement are enforceable solely by the Parties to this Agreement, and no Limited Partner of the Partnership shall have the right, separate and apart from the Partnership, to cause the Partnership to enforce any provision of this Agreement or to compel any Party to this Agreement to comply with the terms of this Agreement. Goldman, Sachs & Co., Kelso & Company, L.P. and their respective Affiliates and successors and assigns as owners of interests in the CVR Entities or Partnership Entities shall be entitled to assert rights and remedies hereunder as a third-party beneficiary hereto with respect to Section 3.10.

Section 3.10 *No Restrictions on Owners of Managing General Partner or CVR*. Notwithstanding anything herein to the contrary, nothing herein shall be deemed to restrict Goldman, Sachs & Co., Kelso & Company, L.P. or their respective Affiliates (other than the CVR Entities and the Partnership Entities), or their respective successors and assigns as owners of interests in the CVR Entities or Partnership Entities, from engaging in any banking, brokerage, trading, market making, hedging, arbitrage, investment advisory, financial advisory, anti-raid advisory, merger advisory, financing, lending, underwriting, asset management, principal investing, mergers & acquisitions or other activities conducted in the ordinary course of their or their Affiliates' business in compliance with applicable law, including without limitation buying and selling securities of any CVR Entity or Partnership Entity, entering into derivatives transactions regarding or shorting securities of any CVR Entity or Partnership Entity, serving as a lender, underwriter or market maker or issuing research with respect to securities of any CVR Entity or Partnership Entity or acquiring, selling, making investments in or entering into other transactions with companies or businesses in the same or similar lines of business as any CVR Entity or Partnership Entity whether or not such investments or transactions are or may be competitive with any business of any CVR Entity or Partnership Entity.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement on, and effective as of, the Closing Date.

**CVR ENERGY, INC.**

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

**CVR GP, LLC**

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

**CVR PARTNERS, LP**

By: CVR GP, LLC, its Managing General Partner

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

**CVR SPECIAL GP, LLC**

By: Coffeyville Resources, LLC,  
its sole member

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

Signature Page to Omnibus Agreement

**COFFEYVILLE RESOURCES, LLC  
PHANTOM UNIT APPRECIATION PLAN (PLAN II)**

1. **Purpose: Operation.** The purpose of the Coffeyville Resources, LLC Phantom Unit Appreciation Plan (Plan II) (the "Plan") is to provide an incentive to employees of the Company and its Affiliates who contribute to the Company's success to increase their efforts on behalf of the Company and to promote the success of the Company's business. Participants in the Plan have the opportunity to receive cash payments in respect of Phantom Points they hold in the event of certain distributions pursuant to the Parent II LLC Agreement to "Members" (as defined in the Parent II LLC Agreement) in Coffeyville Acquisition II LLC, an indirect equity owner of the Company. Whether payments will be made will depend on the amount of net proceeds realized in connection with the event that gives rise to such distributions. Defined terms are defined in Exhibit A hereto.
  2. **Administration.** The Plan shall be administered by the Committee. The Committee shall have the authority in its discretion, subject to and not inconsistent with the express provisions of the Plan, to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan, including, without limitation:
    - the authority to grant Phantom Points;
    - to determine the persons to whom and the time or times at which Phantom Points shall be granted;
    - to determine the number and type of Phantom Points to be granted and the terms, conditions and restrictions relating thereto;
    - to determine whether, to what extent, and under what circumstances Phantom Points may be settled, cancelled, forfeited, exchanged, or surrendered;
    - to make adjustments in the terms and conditions applicable to Phantom Points;
    - to construe and interpret the Plan and Award Agreements;
    - to prescribe, amend and rescind rules and regulations relating to the Plan;
    - to determine the terms and provisions of the Award Agreements;
    - to determine the Baseline Primary Phantom Percentage, the Total Phantom Percentages and the Final Phantom Percentages;
    - to determine the amounts allocable for payment pursuant to this Plan;
    - to assign Phantom Benchmark Amounts; and
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- to make all other determinations deemed necessary or advisable for the administration of the Plan.

All determinations made by the Committee in respect of the Plan shall be final and binding on all Participants and their beneficiaries. No manager or member of the Company or member of the Committee shall be liable for any action taken or determination made in good faith with respect to the Plan or any Phantom Points granted hereunder. The Committee, with the consent of Parent II LLC, shall make determinations with respect to percentages (including the Total Phantom Percentages and the Final Phantom Percentages) and cash amounts allocated, if any, to the Plan with reference to the applicable definitions set forth in Exhibit A; provided that any and all determinations with respect to applicable percentages and cash amounts allocated to the Plan shall be made in the Committee's discretion and may vary from such definitions. The Committee may make adjustments in the operation of provisions of the Plan if the Committee determines in its sole discretion that such adjustments will further the intent of such provisions.

3. Eligibility. Phantom Points may be granted at any time to directors, employees (including officers) and service providers of an Employer, in the discretion of the Committee.

4. Phantom Service Points; Payment.

- Phantom Service Point Pool. A pool of points shall exist consisting of "Phantom Service Points". Phantom Service Points shall represent the right to receive a cash payment from the Employer within thirty (30) days following the date on which a distribution is made pursuant to the Parent II LLC Agreement. The pool of Phantom Service Points shall initially be 10,000,000 but may be increased in the discretion of the Committee at any time. The total number of Phantom Service Points outstanding (after taking into account any adjustments made pursuant to Section 7) shall be referred to as the "Total Phantom Service Point Pool".
- Phantom Service Percentage. The "Phantom Plan Service Percentage" for each Participant shall be the Final Phantom Service Percentage multiplied by the quotient obtained by dividing (x) the number of Phantom Service Points allocated to such Participant by (y) 10,000,000, or, if the Total Phantom Service Point Pool is greater than 10,000,000, the Total Phantom Service Point Pool.
- Phantom Service Point Payments. The cash amount payable to a Participant in respect of his or her Phantom Service Points at any time that a distribution is made pursuant to the Parent II LLC Agreement in respect of Operating Units shall be determined by multiplying (x) such Participant's Phantom Plan Service Percentage and (y) the amount of Exit Proceeds. For the avoidance of doubt, the foregoing is simply a calculation of amount of the cash payment payable to a Participant holding Phantom Service Points, and in no event shall such

Participant, in its capacity as such, have any rights to receive a payment or distribution from Parent II LLC.<sup>1</sup>

5. Phantom Performance Points; Payment.

- (a) Phantom Performance Point Pool. A pool of points shall exist consisting of "Phantom Performance Points". Phantom Performance Points shall represent the right to receive a cash payment within thirty (30) days following the date on which a distribution is made pursuant to the Parent II LLC Agreement in respect of Value Units. The pool of Phantom Performance Points shall initially be 10,000,000, but may be increased in the discretion of the Committee at any time. The total number of Phantom Performance Points outstanding (after taking into account any adjustment made pursuant to Section 7) shall be referred to as the "Total Phantom Performance Point Pool".
- (b) Phantom Performance Percentage. The "Phantom Plan Performance Percentage" for each Participant shall initially be the Final Phantom Performance Percentage multiplied by the quotient obtained by dividing (x) the number of Phantom Performance Points allocated to such Participant by (y) 10,000,000, or, if the Total Phantom Performance Point Pool is greater than 10,000,000, the Total Phantom Performance Point Pool, and shall be further subject to reduction pursuant to Section 5(c) below.
- (c) Performance Factor; Investment Multiple. As provided in the definition of Final Phantom Performance Percentage, each Participant's Phantom Plan Performance Percentage reflects the Performance Factor, which operates to adjust Participants' performance percentages based on the performance of the investment in the Parent II LLC by the Investor Members. For purposes of this Plan:
  - (1) The "Performance Factor" equals a number (between zero and one) equal to the quotient obtained by dividing (i) the excess, if positive, of the Final Investment Multiple (as defined below) over the Minimum Investment Multiple by (ii) two (2); provided that if such quotient is greater than one, the Performance Factor will equal one.
  - (2) The Final Investment Multiple is computed, after giving effect to any payments to be made pursuant to this Plan, by dividing (x) the total fair market value of all net distributions received, or to be received upon the applicable distribution, by the Investor Members from the Company in respect of their aggregate investment in the Company divided by (y) the aggregate of such investment of the Investor Members in the Company (it being understood that all

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<sup>1</sup> Schedule A provides an illustration of how a calculation of a Phantom Service Point payment would be made under the Plan. It is not intended to be an indication of actual payments under the Plan.

such amounts are themselves simultaneously being calculated by reference to amounts that may be payable pursuant to the Plan).

- (d) Phantom Performance Point Payments. The cash amount payable to a Participant in respect of his or her Phantom Performance Points at any time that a distribution is made pursuant to the Parent II LLC Agreement in respect of Value Units shall be determined by adding (x) the product of (i) such Participant's Phantom Plan Performance Percentage and (ii) the amount of Exit Proceeds plus (y) an additional amount to provide a 'catch-up' similar to that provided in respect of Value Units pursuant to Section 9.1(d) of the Parent II LLC Agreement. For the avoidance of doubt, the foregoing is simply a calculation of the amount of the cash payment payable to a Participant holding Phantom Performance Points, and in no event shall such Participant, in its capacity as such, have any rights to receive a payment or distribution from Parent II LLC.<sup>2</sup>

6. Additional Awards; Adjustments.

- (a) Additional Awards. An Employer may determine that a Participant's performance warrants an award of additional Phantom Points, in which case the Employer may recommend to the Committee that an additional award be made.
- (b) Prior Appreciation Adjustments. Each Participant will be assigned a "Phantom Benchmark Amount", which shall be an amount determined by the Committee with respect to the Participant each time the Committee awards any Phantom Points to the Participant and relates to the valuation of Parent II LLC at such time. Notwithstanding anything to the contrary set forth in the Plan, for purposes of the calculations under Section 4(c) and Section 5(d), the Committee shall make such adjustments to the amounts otherwise determined thereunder to account for the Phantom Benchmark Amount assigned in respect of a Participant's Phantom Points.
- (c) In the event of any material acquisition, disposition, merger, recapitalization, capital contribution or other similar event, the Committee may make such adjustment(s) to the terms of the Plan or any awards granted under the Plan as the Committee shall determine appropriate in its sole discretion.

7. Termination of Employment. If a Participant ceases to be employed by an Employer (other than in connection with a transfer to another Employer) prior to an Exit Event, such Participant shall forfeit all Phantom Points granted to the Participant.

8. General Provisions.

- (a) Nontransferability. Unless otherwise provided in an Award Agreement, Phantom Points shall not be transferable by a Participant under any circumstances, except by will or the laws of descent and distribution.

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<sup>2</sup> Schedule A provides an illustration of how a calculation of a Phantom Performance Point payment would be made under the Plan. It is not intended to be an indication of actual payments under the Plan.



- (b) No Right to Continued Employment, etc. Nothing in the Plan or in any Award Agreement entered into pursuant the Plan shall confer upon any Participant the right to continue in the employ of or to be entitled to any remuneration or benefits not set forth in the Plan or such Award Agreement, or to interfere with or limit in any way the right of an Employer to terminate such Participant's employment.
- (c) Taxes. The Company or any Affiliate is authorized to withhold from any payment relating to Phantom Points under the Plan amounts of withholding and other taxes due to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations.
- (d) Excise Tax. To the extent that, (i) in the Committee's determination, payment to a Participant in respect of his or her Phantom Points would constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such payment would (together with any other payment to which the Participant is or may be entitled that would constitute a "parachute payment"), if reduced by all federal, state, and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code, be less than the amount the Participant would receive, after all taxes, if the Participant received aggregate payments in respect of his or her Phantom Points (and such other payments) equal (as valued under Section 280G of the Code) to only three times the Participant's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such payments hereunder shall be reduced to such extent to avoid the application of such excise tax; provided that the Company shall use its reasonable best efforts to obtain shareholder approval of the payments in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payments may be made to the Participant in respect of his or her Phantom Points without the application of the excise tax.
- (e) Amendment and Termination. The Plan shall take effect on the date of its adoption by the Board of Directors of the Company (the "Board"). The Board may at any time and from time to time alter, amend, suspend, or terminate the Plan in whole or in part, including but not limited to, amending the Plan and awards to alter the structure of the Plan if the Board determines that the Plan is not meeting its objectives.
- (f) No Rights to Awards; No Stockholder or Member Rights. No Participant shall have any claim to be granted any Phantom Points under the Plan, and there is no obligation for uniformity of treatment of Participants. A Participant or a transferee of Phantom Points shall have no rights as a stockholder or member of the Company or any Affiliate.
- (g) Unfunded Status of Awards. 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 Phantom Points shall give any such Participant any rights that are greater than those of a general creditor of the Company.

- (h) Governing Law. The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Delaware without giving effect to the conflict of laws principles thereof.
- (i) Beneficiary. Upon the death of a Participant, all of his or her rights under the Plan shall inure to his or her designated beneficiary or, if no beneficiary has been designated, to his or her estate.
- (j) No Guarantee or Assurances. There can be no guarantee that any distributions in respect of Operating Units or Value Units will occur under the Parent II LLC Agreement or that any payment to any Participant will result under the Plan.
- (k) Expiration of Plan. Unless otherwise determined by the Board, the Plan shall expire on July 25, 2015 and all outstanding Phantom Points shall then expire and be forfeited with no consideration paid in respect of such forfeiture.

**EXHIBIT A**

**Plan Definitions**

For purposes of the Plan, the following terms shall be defined as set forth below.

“Affiliate” shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Securities Exchange Act of 1934.

“Award Agreement” means any written agreement, contract, or other instrument or document evidencing a grant of Phantom Points.

“Baseline Primary Phantom Percentage” means a notional profits interest percentage in Parent II LLC, determined by the Committee with the consent of Parent II LLC in its sole discretion, attributable to all Phantom Points available for award under the Plan; provided that in no event shall the Baseline Primary Phantom Percentage plus the percentage interest represented by all profits interests in the Parent II LLC be greater than 15% of the combined notional and aggregate equity interests of the Parent II LLC, assuming all profits interests are outstanding and entitled to share in distributions. Such deemed profits interest percentage, as adjusted pursuant to the terms of the Plan, is generally intended to provide, as a function of Exit Proceeds, the maximum attainable cash payment payable to holders of Phantom Points under the Plan. The Committee shall have the discretion (with the consent of Parent II LLC) to change the Baseline Primary Phantom Percentage at any time and from time to time (including upon the occurrence of any distribution pursuant to the Parent II LLC Agreement or an Exit Event). Schedule 1, as amended from time to time, shall set forth the Baseline Primary Phantom Percentage.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Committee” means the Compensation Committee of Parent II LLC, or if there is no such Compensation Committee of Parent II LLC, Parent II LLC.

“Company” means Coffeyville Resources, LLC, a Delaware limited liability company, or any successor corporation.

“Employer” means the Company or any Affiliate of the Company.

“Exit Event” has the meaning given in the Parent II LLC Agreement.

“Exit Proceeds” means the net proceeds available for distribution to the Members of Parent II LLC at any time that a distribution is made pursuant to the Parent II LLC Agreement in respect of Operating Units or Value Units, as the case may be, following the return of all unreturned “Capital Contributions” (as defined in the Parent II LLC Agreement).

“Final Phantom Percentages” means, collectively, the Final Phantom Performance Percentage, the Final Phantom Service Percentage and the Final Aggregate Phantom Percentage.

"Final Phantom Performance Percentage" means the product of (x) the Performance Factor and (y) the Total Performance Phantom Percentage.

"Final Phantom Service Percentage" means the Total Phantom Service Percentage.

"Investor Member" has the meaning given in the Parent II LLC Agreement.

"Maximum Investment Multiple" means four (4).

"Minimum Investment Multiple" means two (2).

"Operating Unit" has the meaning given in the Parent II LLC Agreement.

"Parent II LLC" means Coffeyville Acquisition II LLC.

"Parent II LLC Agreement" means the Limited Liability Company Agreement of Parent II LLC, dated as of October 16, 2007, as such may be amended.

"Participant" means an individual who has been granted Phantom Performance Points and/or Phantom Service Points pursuant to the Plan and who continues to hold Phantom Points.

"Performance Factor" shall have the meaning set forth in Section 5(c)(1).

"Phantom Performance Points" shall have the meaning set forth in Section 5.

"Phantom Points" means, collectively, or individually as the context requires, Phantom Performance Points and Phantom Service Points.

"Phantom Service Points" shall have the meaning set forth in Section 4.

"Plan" means this Coffeyville Resources, LLC Phantom Unit Appreciation Plan (Plan II), as amended from time to time.

"Total Performance Phantom Percentage" means the product of (x) .667 and (y) the Baseline Primary Phantom Percentage.

"Total Phantom Percentages" means, collectively, the Total Performance Phantom Percentage and the Total Service Phantom Percentage.

"Total Phantom Service Percentage" means the product of (x) .333 and (y) the Baseline Primary Phantom Percentage.

"Value Unit" has the meaning given in the Parent II LLC Agreement.

**CVR ENERGY, INC.**  
**2007 LONG TERM INCENTIVE PLAN**  
**(Effective October 16, 2007)**

**1. Purpose.**

The purpose of the Plan is to strengthen CVR Energy, Inc., a Delaware corporation (the "Company"), by providing an incentive to its and its Subsidiaries' (as defined herein) employees, officers, consultants and directors, thereby encouraging them to devote their abilities and industry to the success of the Company's business enterprise. It is intended that this purpose be achieved by extending to employees (including future employees who have received a formal written offer of employment), officers, consultants and directors of the Company and its Subsidiaries an added incentive for high levels of performance and unusual efforts through the grant of Restricted Stock, Restricted Stock Units, Options, Stock Appreciation Rights, Dividend Equivalent Rights, Performance Awards, and Share Awards (as each term is herein defined).

**2. Definitions.**

For purposes of the Plan:

2.1 "Agreement" means a written or electronic agreement between the Company and a Participant evidencing the grant of an Option or Award and setting forth the terms and conditions thereof.

2.2 "Award" means a grant of Restricted Stock, a Restricted Stock Unit, a Stock Appreciation Right, a Performance Award, a Dividend Equivalent Right, a Share Award or any or all of them.

2.3 "Beneficiary" means an individual designated as a Beneficiary pursuant to Section 19.4.

2.4 "Board" means the Board of Directors of the Company.

2.5 "Cause" means, with respect to the termination of a Participant's employment or services by the Company or any Subsidiary of the Company that employs such individual or to which the Participant performs services (or by the Company on behalf of any such Subsidiary), such Participant's (i) refusal or neglect to perform substantially his or her employment-related duties or services, (ii) personal dishonesty, incompetence, willful misconduct or breach of fiduciary duty, (iii) indictment for, conviction of or entering a plea of

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guilty or *nolo contendere* to a crime constituting a felony or his or her willful violation of any applicable law (other than a traffic violation or other offense or violation outside of the course of employment or services to the Company or its Subsidiaries which in no way adversely affects the Company and its Subsidiaries or its reputation or the ability of the Participant to perform his or her employment-related duties or services or to represent the Company or any Subsidiary of the Company that employs such Participant or to which the Participant performs services), (iv) failure to reasonably cooperate, following a request to do so by the Company, in any internal or governmental investigation of the Company or any of its Subsidiaries or (v) material breach of any written covenant or agreement with the Company or any of its Subsidiaries not to disclose any information pertaining to the Company or such Subsidiary or not to compete or interfere with the Company or such Subsidiary; *provided that*, in the case of any Participant who, as of the date of determination, is party to an effective services, severance or employment agreement with the Company or any Subsidiary, "Cause" shall have the meaning, if any, specified in such agreement.

2.6 "Change in Capitalization" means any increase or reduction in the number of Shares, any change (including, but not limited to, in the case of a spin-off, dividend or other distribution in respect of Shares, a change in value) in the Shares or any exchange of Shares for a different number or kind of shares or other securities of the Company or another corporation, by reason of a reclassification, recapitalization, merger, consolidation, reorganization, spin-off, split-up, issuance of warrants, rights or debentures, stock dividend, stock split or reverse stock split, cash dividend, property dividend, combination or exchange of shares, repurchase of shares, change in corporate structure or otherwise.

2.7 "Change in Control" means the occurrence of any of the following:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Exchange Act), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than fifty percent (50%) of (i) the then-outstanding Shares or (ii) the combined voting power of the Company's then-outstanding Voting Securities; *provided, however*, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a Non-Control Acquisition (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company, any Principal Stockholder or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The consummation of:

(i) A merger, consolidation or reorganization (x) with or into the Company or (y) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(A) the shareholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least a majority of the combined voting power of the outstanding voting securities of (1) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then outstanding voting securities by the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(B) the individuals who were members of the Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (1) the Surviving Corporation, if there is no Parent Corporation, or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(C) no Person other than (1) the Company or another corporation that is a party to the agreement of Merger, (2) any Related Entity, (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger, had Beneficial Ownership of fifty percent (50%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of fifty percent (50%) or more of the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation.

(ii) A complete liquidation or dissolution of the Company; or

(iii) The sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity or (y) the distribution to the Company's shareholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; *provided* that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial

Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

2.8 "Code" means the Internal Revenue Code of 1986, as amended.

2.9 "Committee" means the Committee which administers the Plan as provided in Section 3.

2.10 "Company" means CVR Energy, Inc., a Delaware corporation.

2.11 "Director" means a member of the Board.

2.12 "Division" means any of the operating units or divisions of the Company designated as a Division by the Committee.

2.13 "Dividend Equivalent Right" means a right to receive cash or Shares based on the value of dividends that are paid with respect to Shares.

2.14 "Effective Date" means the date of approval of the Plan by the Company's shareholders' pursuant to Section 19.5.

2.15 "Eligible Individual" means any of the following individuals: (a) any Director, officer or employee of the Company or a Subsidiary, (b) any individual to whom the Company or a Subsidiary has extended a formal, written offer of employment, and (c) any consultant or advisor of the Company or a Subsidiary.

2.16 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

2.17 "Fair Market Value" on any date means:

(a) if the Shares are listed for trading on the New York Stock Exchange, the closing price at the close of the primary trading session of the Shares on such date on the New York Stock Exchange, or if there has been no such closing price of the Shares on such date, on the next preceding date on which there was such a closing price;

(b) if the Shares are not listed for trading on the New York Stock Exchange, but are listed on another national securities exchange, the closing price at the close of the primary trading session of the Shares on such date on such exchange, or if there has been no such closing price of the Shares on such date, on the next preceding date on which there was such a closing price;



(c) if the Shares are not listed on the New York Stock Exchange or on another national securities exchange, the last sale price at the end of normal market hours of the Shares on such date as quoted on the National Association of Securities Dealers Automated Quotation System ("NASDAQ") or, if no such price shall have been quoted for such date, on the next preceding date for which such price was so quoted; or

(d) if the Shares are not listed for trading on a national securities exchange or are not authorized for quotation on NASDAQ, the fair market value of the Shares as determined in good faith by the Committee, and in the case of Incentive Stock Options, in accordance with Section 422 of the Code.

2.18 "Full Value Award" means a grant of Restricted Stock, a Restricted Stock Unit, a Performance Award, a Share Award or any or all of them.

2.19 "Incentive Stock Option" means an Option satisfying the requirements of Section 422 of the Code and designated by the Committee as an Incentive Stock Option.

2.20 "Initial Public Offering" means the consummation of the first public offering of Shares pursuant to a registration statement (other than a Form S-8 or successor forms) filed with, and declared effective by, the Securities and Exchange Commission.

2.21 "Nonemployee Director" means a Director who is a "nonemployee director" within the meaning of Rule 16b-3 promulgated under the Exchange Act.

2.22 "Nonqualified Stock Option" means an Option which is not an Incentive Stock Option.

2.23 "Option" means a Nonqualified Stock Option and/or an Incentive Stock Option.

2.24 "Outside Director" means a Director who is an "outside director" within the meaning of Section 162(m) of the Code and the regulations promulgated thereunder.

2.25 "Parent" means any corporation which is a "parent corporation" (within the meaning of Section 424(e) of the Code) with respect to the Company.

2.26 "Participant" means a person to whom an Award or Option has been granted under the Plan.

2.27 "Performance Awards" means Performance Share Units, Performance Units, Performance-Based Restricted Stock or any or all of them.

2.28 "Performance-Based Compensation" means any Option or Award that is intended to constitute "performance based compensation" within the meaning of Section 162(m)(4)(C) of the Code and the regulations promulgated thereunder.

2.29 "Performance-Based Restricted Stock" means Shares issued or transferred to an Eligible Individual under Section 9.2.

2.30 "Performance Cycle" means the time period specified by the Committee at the time Performance Awards are granted during which the performance of the Company, a Subsidiary or a Division will be measured.

2.31 "Performance Objectives" means the objectives set forth in Section 9.3 for the purpose of determining the degree of payout and/or vesting of Performance Awards.

2.32 "Performance Share Units" means Performance Share Units granted to an Eligible Individual under Section 9.1.

2.33 "Performance Units" means Performance Units granted to an Eligible Individual under Section 9.1.

2.34 "Plan" means this 2007 CVR Energy, Inc. Long Term Incentive Plan, as amended from time to time.

2.35 "Principal Stockholder" means each of Kelso Investment Associates VII, L.P., a Delaware limited partnership, KEP VI, LLC, a Delaware limited liability company, GS Capital Partners V Fund, L.P., a Delaware limited partnership, GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

2.36 "Restricted Stock" means Shares issued or transferred to an Eligible Individual pursuant to Section 8.

2.37 "Restricted Stock Units" means rights granted to an Eligible Individual under Section 8 representing a number of hypothetical Shares.

2.38 "Share Award" means an Award of Shares granted pursuant to Section 10.

2.39 "Shares" means the common stock, par value \$.01 per share, of the Company and any other securities into which such shares are changed or for which such shares are exchanged.

2.40 "Stock Appreciation Right" means a right to receive all or some portion of the increase, if any, in the value of the Shares as provided in Section 6 hereof.

2.41 "Subsidiary" means (a) except as provided in subsection (b) below, any corporation which is a subsidiary corporation within the meaning of Section 424(f) of the Code with respect to the Company, and (b) in relation to the eligibility to receive Options or Awards other than Incentive Stock Options and continued employment for purposes of Options and Awards (unless the Committee determines otherwise), any entity, whether or not incorporated, in which the Company directly or indirectly owns at least 50% or more of the outstanding equity or other ownership interests.

2.42 "Ten-Percent Shareholder" means an Eligible Individual who, at the time an Incentive Stock Option is to be granted to him or her, owns (within the meaning of Section 422(b)(6) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company, a Parent or a Subsidiary.

2.43 "Termination Date" means the date that is ten (10) years after the Effective Date, unless the Plan is earlier terminated by the Board pursuant to Section 15 hereof.

2.44 "Transition Period" means the period beginning with an Initial Public Offering and ending as of the earlier of (i) the date of the first annual meeting of shareholders of the Company at which directors are to be elected that occurs after the close of the third calendar year following the calendar year in which the Initial Public Offering occurs and (ii) the expiration of the "reliance period" under Treasury Regulation Section 1.162-27(f)(2).

### 3. **Administration.**

3.1 **Committees; Procedure.** The Plan shall be administered by a Committee which, until the Board appoints a different Committee, shall be the Compensation Committee of the Board. The Committee may adopt such rules, regulations and guidelines as it deems are necessary or appropriate for the administration of the Plan. The Committee shall consist of at least two (2) Directors and may consist of the entire Board; *provided, however,* that from and after the date of an Initial Public Offering (a) if the Committee consists of less than the entire Board, then, with respect to any Option or Award granted to an Eligible Individual who is subject to Section 16 of the Exchange Act, the Committee shall consist of at least two Directors, each of whom shall be a Non-Employee Director, and (b) to the extent necessary for any Option or Award intended to qualify as Performance-Based Compensation to so qualify, the Committee shall consist of at least two Directors, each of whom shall be an Outside Director. For purposes of the preceding sentence, if one or more members of the Committee is not a Nonemployee Director and an Outside Director but recuses himself or herself or abstains from voting with respect to a particular action taken by the Committee, then the Committee, with respect to that

action, shall be deemed to consist only of the members of the Committee who have not recused themselves or abstained from voting.

3.2 Board Reservation and Delegation. Except to the extent necessary for any Award or Option intended to qualify as Performance-Based Compensation to so qualify, the Board may, in its discretion, reserve to itself or exercise any or all of the authority and responsibility of the Committee hereunder and may consist of one or more Directors who may, but need not be officers or employees of the Company. To the extent the Board has reserved to itself, or exercised the authority and responsibility of the Committee, all references to the Committee in the Plan shall be to the Board.

3.3 Committee Powers. Subject to the express terms and conditions set forth herein, the Committee shall have the power from time to time to:

- (a) select those Eligible Individuals to whom Options shall be granted under the Plan and the number of such Options to be granted and prescribe the terms and conditions (which need not be identical) of each such Option, including the exercise price per Share, the vesting schedule and the duration of each Option, and make any amendment or modification to any Option Agreement consistent with the terms of the Plan;
- (b) select those Eligible Individuals to whom Awards shall be granted under the Plan and determine the number of Shares or amount of cash in respect of which each Award is granted, the terms and conditions (which need not be identical) of each such Award, and make any amendment or modification to any Agreement consistent with the terms of the Plan;
- (c) construe and interpret the Plan and the Options and Awards granted hereunder and establish, amend and revoke rules and regulations for the administration of the Plan, including, but not limited to, correcting any defect or supplying any omission, or reconciling any inconsistency in the Plan or in any Agreement, in the manner and to the extent it shall deem necessary or advisable, including so that the Plan and the operation of the Plan comply with Rule 16b-3 under the Exchange Act, the Code to the extent applicable and other applicable law, and otherwise to make the Plan fully effective;
- (d) determine the duration and purposes for leaves of absence which may be granted to a Participant on an individual basis without constituting a termination of employment or service for purposes of the Plan;
- (e) cancel, with the consent of the Participant, outstanding Awards and Options;
- (f) exercise its discretion with respect to the powers and rights granted to it as set forth in the Plan; and

(g) generally, exercise such powers and perform such acts as are deemed necessary or advisable to promote the best interests of the Company with respect to the Plan.

All decisions and determinations by the Committee in the exercise of the above powers shall be final, binding and conclusive upon the Company, its Subsidiaries, the Participants and all other persons having any interest therein.

3.4 Notwithstanding anything herein to the contrary, with respect to Participants working outside the United States, the Committee may determine the terms and conditions of Options and Awards and make such adjustments to the terms thereof as are necessary or advisable to fulfill the purposes of the Plan taking into account matters of local law or practice, including tax and securities laws of jurisdictions outside the United States.

3.5 Indemnification. No member of the Committee shall be liable for any action, failure to act, determination or interpretation made in good faith with respect to the Plan or any transaction hereunder. The Company hereby agrees to indemnify each member of the Committee for all costs and expenses and, to the extent permitted by applicable law, any liability incurred in connection with defending against, responding to, negotiating for the settlement of or otherwise dealing with any claim, cause of action or dispute of any kind arising in connection with any actions in administering the Plan or in authorizing or denying authorization to any transaction hereunder.

3.6 No Repricing of Options or Stock Appreciation Rights. The Committee shall have no authority to make any adjustment (other than in connection with a stock dividend, recapitalization or other transaction where an adjustment is permitted or required under the terms of the Plan) or amendment, and no such adjustment or amendment shall be made, that reduces or would have the effect of reducing the exercise price of an Option or Stock Appreciation Right previously granted under the Plan, whether through amendment, cancellation or replacement grants, or other means, unless the Company's shareholders shall have approved such adjustment or amendment.

4. **Stock Subject to the Plan; Grant Limitations**.

4.1 Aggregate Number of Shares Authorized for Issuance. Subject to any adjustment as provided in the Plan, the Shares to be issued under the Plan may be, in whole or in part, authorized but unissued Shares or issued Shares which shall have been reacquired by the Company and held by it as treasury shares. The aggregate number of Shares that may be made the subject of Awards or Options granted under the Plan shall not exceed 7,500,000, no more than 1,000,000 of which may be granted as Incentive Stock Options.

4.2 Individual Limit. The aggregate number of Shares that may be the subject of Options, Stock Appreciation Rights, Performance-Based Restricted Stock and Performance

Share Units granted to an Eligible Individual in any three calendar year period may not exceed 6,000,000. The maximum dollar amount of cash or the Fair Market Value of Shares that any individual may receive in any calendar year in respect of Performance Units may not exceed \$3,000,000.

4.3 Calculating Shares Available.

(a) Upon the granting of an Award or an Option, the number of Shares available under this Section 4 for the granting of further Awards and Options shall be reduced as follows:

(i) In connection with the granting of an Option, Stock Appreciation Right (other than a Stock Appreciation Right Related to an Option), Restricted Stock Unit, Share Award or Award of Restricted Stock, Performance-Based Restricted Stock or Performance Share Units, the number of Shares available under this Section 4 for the granting of further Options and Awards shall be reduced by the number of Shares in respect of which the Option or Award is granted or denominated.

(ii) In connection with the granting of a Performance Unit, the number of Shares available under this Section 4 for the granting of further Options and Awards initially shall be reduced by the Share Equivalent number of Performance Units granted, with a corresponding adjustment if the Performance Unit is ultimately settled in whole or in part with a different number of Shares. For purposes of this Section 4, the "Share Equivalent" number of Performance Units shall be equal to the quotient of (i) the aggregate dollar amount in which the Performance Units are denominated, divided by (ii) the Fair Market Value of a Share on the date of grant.

(iii) In connection with the granting of a Dividend Equivalent Right, the number of Shares available under this Section 4 shall not be reduced; *provided, however*, that if Shares are issued in settlement of a Dividend Equivalent Right, the number of Shares available for the granting of further Options and Awards under this Section 4 shall be reduced by the number of Shares so issued.

(b) Notwithstanding Section 4.3(a), in the event that an Award is granted that, pursuant to the terms of the Agreement, cannot be settled in Shares, the aggregate number of Shares that may be made the subject of Awards or Options granted under the Plan shall not be reduced. Whenever any outstanding Option or Award or portion thereof expires, is canceled, is settled in cash or is otherwise terminated for any reason without having been exercised or payment having been made in respect of the entire Option or Award, the number of Shares available under this Section 4 shall be increased by the number of Shares previously allocable under Section 4.3(a) to the expired, canceled, settled or otherwise terminated portion of the Option or Award.

(c) Notwithstanding anything in this Section 4.3 to the contrary, (i) Shares tendered as full or partial payment of the Option Price shall not increase the number of

Shares available under this Section 4, (ii) Shares tendered as settlement of tax withholding obligations shall not increase the number of Shares available under this Section 4, and (iii) Shares repurchased by the Company using proceeds from the exercise of Options shall not be available for issuance under the Plan.

(d) Where two or more Awards are granted with respect to the same Shares, such Shares shall be taken into account only once for purposes of this Section 4.3.

#### 5. **Stock Options.**

5.1 **Authority of Committee.** Subject to the provisions of the Plan, the Committee shall have full and final authority to select those Eligible Individuals who will receive Options, and the terms and conditions of the grant to any such Eligible Individual shall be set forth in an Agreement. Incentive Stock Options may be granted only to Eligible Individuals who are employees of the Company or any Subsidiary on the date the Incentive Stock Option is granted.

5.2 **Exercise Price.** The purchase price or the manner in which the exercise price is to be determined for Shares under each Option shall be determined by the Committee and set forth in the Agreement; *provided, however,* that the exercise price per Share under each Option shall not be less than the greater of (i) the par value of a Share and (ii) 100% of the Fair Market Value of a Share on the date the Option is granted (110% in the case of an Incentive Stock Option granted to a Ten-Percent Shareholder).

5.3 **Maximum Duration.** Options granted hereunder shall be for such term as the Committee shall determine; *provided* that an Incentive Stock Option shall not be exercisable after the expiration of ten (10) years from the date it is granted (five (5) years in the case of an Incentive Stock Option granted to a Ten-Percent Shareholder) and a Nonqualified Stock Option shall not be exercisable after the expiration of ten (10) years from the date it is granted; *provided, further, however,* that unless the Committee provides otherwise, an Option (other than an Incentive Stock Option) may, upon the death of the Participant prior to the expiration of the Option, be exercised for up to one (1) year following the date of the Participant's death, even if such period extends beyond ten (10) years from the date the Option is granted. The Committee may, subsequent to the granting of any Option, extend the term thereof, but in no event shall the term as so extended exceed the maximum term provided for in the preceding sentence.

5.4 **Vesting.** The Committee shall determine the time or times at which an Option shall become vested and exercisable. To the extent not exercised, installments shall accumulate and be exercisable, in whole or in part, at any time after becoming exercisable, but not later than the date the Option expires. The Committee may accelerate the exercisability of any Option or portion thereof at any time.

5.5 Limitations on Incentive Stock Options. To the extent that the aggregate Fair Market Value (determined as of the date of the grant) of Shares with respect to which Incentive Stock Options granted under the Plan and "incentive stock options" (within the meaning of Section 422 of the Code) granted under all other plans of the Company or its Subsidiaries (in either case determined without regard to this Section 5.5) are exercisable by a Participant for the first time during any calendar year exceeds \$100,000, such Incentive Stock Options shall be treated as Nonqualified Stock Options. In applying the limitation in the preceding sentence in the case of multiple Option grants, unless otherwise required by applicable law, Options which were intended to be Incentive Stock Options shall be treated as Nonqualified Stock Options according to the order in which they were granted such that the most recently granted Options are first treated as Nonqualified Stock Options.

5.6 Transferability. Except as otherwise provided in this Section 5.6, no Option shall be transferable by the Participant otherwise than by will or by the laws of descent and distribution, and an Option shall be exercisable during the lifetime of such Participant only by the Participant or his or her guardian or legal representative. The Committee may set forth in the Agreement evidencing an Option (other than an Incentive Stock Option) at the time of grant or thereafter, that the Option, or a portion thereof, may be transferred to any third party, including but not limited to, members of the Participant's immediate family, to trusts solely for the benefit of such immediate family members and to partnerships in which such family members and/or trusts are the only partners. In addition, for purposes of the Plan, unless otherwise determined by the Committee at the time of grant or thereafter, a transferee of an Option pursuant to this Section 5.6 shall be deemed to be the Participant; *provided* that the rights of any such transferee thereafter shall be nontransferable except that such transferee, where applicable under the terms of the transfer by the Participant, shall have the right previously held by the Participant to designate a Beneficiary. For this purpose, immediate family means the Participant's spouse, parents, children, stepchildren and grandchildren and the spouses of such parents, children, stepchildren and grandchildren. The terms of an Option shall be final, binding and conclusive upon the beneficiaries, executors, administrators, heirs and successors of the Participant. Notwithstanding Section 19.2, or the terms of any Agreement, the Company or any Subsidiary shall not withhold any amount attributable to the Participant's tax liability from any payment of cash or Shares to a transferee or transferee's Beneficiary under this Section 5.6, but may require the payment of an amount equal to the Company's or any Subsidiary's withholding tax obligation as a condition to exercise or as a condition to the release of cash or Shares upon exercise or upon transfer of the option.

5.7 Method of Exercise. The exercise of an Option shall be made only by giving written notice delivered in person or by mail to the person designated by the Company, specifying the number of Shares to be exercised and, to the extent applicable, accompanied by payment therefor and otherwise in accordance with the Agreement pursuant to which the Option was granted. The exercise price for any Shares purchased pursuant to the exercise of an Option shall be paid in any or any combination of the following forms: (a) cash or its equivalent (e.g., a check) or (b) if permitted by the Committee, the transfer, either actually or by attestation, to the Company of Shares that have been held by the Participant for at least six (6) months (or such



lesser period as may be permitted by the Committee) prior to the exercise of the Option, such transfer to be upon such terms and conditions as determined by the Committee or (c) in the form of other property as determined by the Committee. In addition, Options may be exercised through a registered broker-dealer pursuant to such cashless exercise procedures that are, from time to time, deemed acceptable by the Committee. Any Shares transferred to the Company as payment of the exercise price under an Option shall be valued at their Fair Market Value on the last business day preceding the date of exercise of such Option. If requested by the Committee, the Participant shall deliver the Agreement evidencing the Option to the Company, which shall endorse thereon a notation of such exercise and return such Agreement to the Participant. No fractional Shares (or cash in lieu thereof) shall be issued upon exercise of an Option and the number of Shares that may be purchased upon exercise shall be rounded to the nearest number of whole Shares.

5.8 Rights of Participants. No Participant shall be deemed for any purpose to be the owner of any Shares subject to any Option unless and until (a) the Option shall have been exercised pursuant to the terms thereof, (b) the Company shall have issued and delivered Shares (whether or not certificated) to the Participant, a securities broker acting on behalf of the Participant or such other nominee of the Participant, and (c) the Participant's name, or the name of his or her broker or other nominee, shall have been entered as a shareholder of record on the books of the Company. Thereupon, the Participant shall have full voting, dividend and other ownership rights with respect to such Shares, subject to such terms and conditions as may be set forth in the applicable Agreement.

5.9 Effect of Change in Control. The effect of a Change in Control on an Option may be set forth in the applicable Agreement.

#### 6. Stock Appreciation Rights.

6.1 Grant. The Committee may in its discretion, either alone or in connection with the grant of an Option, grant Stock Appreciation Rights to Eligible Individuals in accordance with the Plan, the terms and conditions of which shall be set forth in an Agreement. A Stock Appreciation Right may be granted (a) at any time if unrelated to an Option or (b) if related to an Option, either at the time of grant or at any time thereafter during the term of the Option.

6.2 Stock Appreciation Right Related to an Option. If granted in connection with an Option, a Stock Appreciation Right shall cover the same Shares covered by the Option (or such lesser number of Shares as the Committee may determine) and shall, except as provided in this Section 6, be subject to the same terms and conditions as the related Option.

(a) Exercise; Transferability. A Stock Appreciation Right granted in connection with an Option (i) shall be exercisable at such time or times and only to the extent that the related Option is exercisable, (ii) shall be exercisable only if the Fair Market Value of a

Share on the date of exercise exceeds the exercise price specified in the Agreement evidencing the related Incentive Stock Option and (iii) shall not be transferable except to the extent the related Option is transferable.

(b) Amount Payable. Upon the exercise of a Stock Appreciation Right related to an Option, the Participant shall be entitled to receive an amount determined by multiplying (i) the excess of the Fair Market Value of a Share on the last business day preceding the date of exercise of such Stock Appreciation Right over the per Share exercise price under the related Option, by (ii) the number of Shares as to which such Stock Appreciation Right is being exercised. Notwithstanding the foregoing, the Committee may limit in any manner the amount payable with respect to any Stock Appreciation Right by including such a limit in the Agreement evidencing the Stock Appreciation Right at the time it is granted.

(c) Treatment of Related Options and Stock Appreciation Rights Upon Exercise. Upon the exercise of a Stock Appreciation Right granted in connection with an Option, the Option shall be canceled to the extent of the number of Shares as to which the Stock Appreciation Right is exercised, and upon the exercise of an Option granted in connection with a Stock Appreciation Right, the Stock Appreciation Right shall be canceled to the extent of the number of Shares as to which the Option is exercised or surrendered.

6.3 Stock Appreciation Right Unrelated to an Option. A Stock Appreciation Right unrelated to an Option shall cover such number of Shares as the Committee shall determine.

(a) Terms; Duration. Stock Appreciation Rights unrelated to Options shall contain such terms and conditions as to exercisability, vesting and duration as the Committee shall determine, but in no event shall they have a term of greater than ten (10) years; *provided* that unless the Committee provides otherwise a Stock Appreciation Right may, upon the death of the Participant prior to the expiration of the Award, be exercised for up to one (1) year following the date of the Participant's death even if such period extends beyond ten (10) years from the date the Stock Appreciation Right is granted.

(b) Amount Payable. Upon exercise of a Stock Appreciation Right unrelated to an Option, the Grantee shall be entitled to receive an amount determined by multiplying (i) the excess of the Fair Market Value of a Share on the last business day preceding the date of exercise of such Stock Appreciation Right over the Fair Market Value of a Share on the date the Stock Appreciation Right was granted, by (ii) the number of Shares as to which the Stock Appreciation Right is being exercised. Notwithstanding the foregoing, the Committee may limit in any manner the amount payable with respect to any Stock Appreciation Right by including such a limit in the Agreement evidencing the Stock Appreciation Right at the time it is granted.

(c) Transferability. (i) Except as otherwise provided in this Section 6.3(c), no Stock Appreciation Right unrelated to an Option shall be transferable by the Participant otherwise than by will or the laws of descent and distribution, and a Stock

Appreciation Right shall be exercisable during the lifetime of such Participant only by the Participant or his or her guardian or legal representative. The Committee may set forth in the Agreement evidencing a Stock Appreciation Right at the time of grant or thereafter, that the Award, or a portion thereof, may be transferred to any third party, including but not limited to, members of the Participant's immediate family, to trusts solely for the benefit of such immediate family members and to partnerships in which such family members and/or trusts are the only partners. In addition, for purposes of the Plan, unless otherwise determined by the Committee at the time of grant or thereafter, a transferee of a Stock Appreciation Right pursuant to this Section 6.3(c) shall be deemed to be the Participant; *provided* that the rights of any such transferee thereafter shall be nontransferable except that such transferee, where applicable under the terms of the transfer by the Participant, shall have the right previously held by the Participant to designate a Beneficiary. For this purpose, immediate family means the Participant's spouse, parents, children, stepchildren and grandchildren and the spouses of such parents, children, stepchildren and grandchildren. The terms of a Stock Appreciation Right shall be final, binding and conclusive upon the beneficiaries, executors, administrators, heirs and successors of the Participant. Notwithstanding Section 19.2, or the terms of any Agreement, the Company or any Subsidiary shall not withhold any amount attributable to the Participant's tax liability from any payment of cash or Shares to a transferee or transferee's Beneficiary under this Section 6.3(c), but may require the payment of an amount equal to the Company's or any Subsidiary's withholding tax obligation as a condition to exercise or as a condition to the release of cash or Shares upon exercise or upon transfer of the Stock Appreciation Right.

6.4 Method of Exercise. Stock Appreciation Rights shall be exercised by a Participant only by giving written notice delivered in person or by mail to the person designated by the Company, specifying the number of Shares with respect to which the Stock Appreciation Right is being exercised. If requested by the Committee, the Participant shall deliver the Agreement evidencing the Stock Appreciation Right being exercised and the Agreement evidencing any related Option to the Company, which shall endorse thereon a notation of such exercise and return such Agreement to the Participant.

6.5 Form of Payment. Payment of the amount determined under Section 6.2(b) or 6.3(b) may be made in the discretion of the Committee solely in whole Shares in a number determined at their Fair Market Value on the last business day preceding the date of exercise of the Stock Appreciation Right, or solely in cash, or in a combination of cash and Shares. If the Committee decides to make full payment in Shares and the amount payable results in a fractional Share, payment for the fractional Share will be made in cash.

6.6 Effect of Change in Control. The effect of a Change in Control on a Stock Appreciation Right may be set forth in the applicable Agreement.

#### **7. Dividend Equivalent Rights.**

The Committee may in its discretion, grant Dividend Equivalent Rights either in tandem with an Option or Award or as a separate Award, to Eligible Individuals in accordance with the Plan. The terms and conditions applicable to each Dividend Equivalent Right shall be specified in the Agreement under which the Dividend Equivalent Right is granted. Amounts payable in respect of Dividend Equivalent Rights may be payable currently or, if applicable, deferred until the lapsing of restrictions on such Dividend Equivalent Rights or until the vesting, exercise, payment, settlement or other lapse of restrictions on the Option or Award to which the Dividend Equivalent Rights relate. In the event that the amount payable in respect of Dividend Equivalent Rights are to be deferred, the Committee shall determine whether such amounts are to be held in cash or reinvested in Shares or deemed (notionally) to be reinvested in Shares. If amounts payable in respect of Dividend Equivalent Rights are to be held in cash, there may be credited at the end of each year (or portion thereof) interest on the amount of the account at the beginning of the year at a rate per annum as the Committee, in its discretion, may determine. Dividend Equivalent Rights may be settled in cash or Shares or a combination thereof, in a single installment or multiple installments, as determined by the Committee.

#### **8. Restricted Stock; Restricted Stock Units.**

8.1 Restricted Stock. The Committee may grant to Eligible Individuals Awards of Restricted Stock, which shall be evidenced by an Agreement. Each Agreement shall contain such restrictions, terms and conditions as the Committee may, in its discretion, determine and (without limiting the generality of the foregoing) such Agreements may require that an appropriate legend be placed on Share certificates. Awards of Restricted Stock shall be subject to the terms and provisions set forth below in this Section 8.1 and in Section 8.3.

(a) Rights of Participant. Shares of Restricted Stock granted pursuant to an Award hereunder shall be issued in the name of the Participant as soon as reasonably practicable after the Award is granted provided that the Participant has executed an Agreement evidencing the Award, the appropriate blank stock powers and, in the discretion of the Committee, an escrow agreement and any other documents which the Committee may require as a condition to the issuance of such Shares. At the discretion of the Committee, Shares issued in connection with an Award of Restricted Stock shall be deposited together with the stock powers with an escrow agent (which may be the Company) designated by the Committee. Unless the Committee determines otherwise and as set forth in the Agreement, upon delivery of the Shares to the escrow agent, the Participant shall have all of the rights of a shareholder with respect to such Shares, including the right to vote the Shares and to receive all dividends or other distributions paid or made with respect to the Shares.

(b) Non-transferability. Until all restrictions upon the Shares of Restricted Stock awarded to a Participant shall have lapsed in the manner set forth in Section 8.1(c), such Shares shall not be sold, transferred or otherwise disposed of and shall not be pledged or otherwise hypothecated.

(c) Lapse of Restrictions.

(i) Generally. Subject to the provisions of Section 8.3, restrictions upon Shares of Restricted Stock awarded hereunder shall lapse at such time or times and on such terms and conditions as the Committee may determine. The Agreement evidencing the Award shall set forth any such restrictions.

(ii) Effect of Change in Control. The effect of a Change in Control on an Awards of Shares of Restricted Stock may be set forth in the applicable Agreement.

(d) Treatment of Dividends. At the time an Award of Restricted Stock is granted, the Committee may, in its discretion, determine that the payment to the Participant of dividends, or a specified portion thereof, declared or paid on such Shares by the Company shall be (i) deferred until the lapsing of the restrictions imposed upon such Shares and (ii) held by the Company for the account of the Participant until such time. In the event that dividends are to be deferred, the Committee shall determine whether such dividends are to be reinvested in Shares (which shall be held as additional Shares of Restricted Stock) or held in cash. If deferred dividends are to be held in cash, there may be credited interest on the amount of the account at such times and at a rate per annum as the Committee, in its discretion, may determine. Payment of deferred dividends in respect of Shares of Restricted Stock (whether held in cash or as additional Shares of Restricted Stock), together with interest accrued thereon, if any, shall be made upon the lapsing of restrictions imposed on the Shares in respect of which the deferred dividends were paid, and any dividends deferred (together with any interest accrued thereon) in respect of any Shares of Restricted Stock shall be forfeited upon the forfeiture of such Shares.

(e) Delivery of Shares. Upon the lapse of the restrictions on Shares of Restricted Stock, the Committee shall cause a stock certificate or evidence of book entry Shares to be delivered to the Participant with respect to such Shares of Restricted Stock, free of all restrictions hereunder.

8.2 Restricted Stock Unit Awards. The Committee may grant to Eligible Individuals Awards of Restricted Stock Units, which shall be evidenced by an Agreement. Each such Agreement shall contain such restrictions, terms and conditions as the Committee may, in its discretion, determine. Awards of Restricted Stock Units shall be subject to the terms and provisions set forth below in this Section 8.2 and in Section 8.3.

(a) Payment of Awards. Each Restricted Stock Unit shall represent the right of the Participant to receive a payment upon vesting of the Restricted Stock Unit or on any later date specified by the Committee equal to the Fair Market Value of a Share as of the date the Restricted Stock Unit was granted, the vesting date or such other date as determined by the Committee at the time the Restricted Stock Unit was granted. The Committee may, at the time a Restricted Stock Unit is granted, provide a limitation on the amount payable in respect of each Restricted Stock Unit. The Committee may provide for the settlement of Restricted Stock Units

in cash or with Shares having a Fair Market Value equal to the payment to which the Participant has become entitled.

(b) Effect of Change in Control. The effect of a Change in Control on an Award of Restricted Stock Units shall be set forth in the applicable Agreement.

**9. Performance Awards**

9.1 Performance Units and Performance Share Units. The Committee, in its discretion, may grant Awards of Performance Units and/or Performance Share Units to Eligible Individuals, the terms and conditions of which shall be set forth in an Agreement.

(a) Performance Units. Performance Units shall be denominated in a specified dollar amount and, contingent upon the attainment of specified Performance Objectives within the Performance Cycle, represent the right to receive payment as provided in Sections 9.1(c) and (d) of the specified dollar amount or a percentage of the specified dollar amount depending on the level of Performance Objective attained; *provided, however*, that the Committee may at the time a Performance Unit is granted specify a maximum amount payable in respect of a vested Performance Unit. Each Agreement shall specify the number of Performance Units to which it relates, the Performance Objectives which must be satisfied in order for the Performance Units to vest and the Performance Cycle within which such Performance Objectives must be satisfied.

(b) Performance Share Units. Performance Share Units shall be denominated in Shares and, contingent upon the attainment of specified Performance Objectives within the Performance Cycle, each Performance Share Unit represents the right to receive payment as provided in Sections 9.1(c) and (d) of the Fair Market Value of a Share on the date the Performance Share Unit was granted, the date the Performance Share Unit became vested or any other date specified by the Committee or a percentage of such amount depending on the level of Performance Objective attained; *provided, however*, that the Committee may at the time a Performance Share Unit is granted specify a maximum amount payable in respect of a vested Performance Share Unit. Each Agreement shall specify the number of Performance Share Units to which it relates, the Performance Objectives which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle within which such Performance Objectives must be satisfied.

(c) Vesting and Forfeiture. Subject to Sections 9.3(c) and 9.4, a Participant shall become vested with respect to the Performance Share Units and Performance Units to the extent that the Performance Objectives for the Performance Cycle and other terms and conditions set forth in the Agreement are satisfied; *provided, however*, that, except as may be provided pursuant to Section 9.4, no Performance Cycle for Performance Share Units and Performance Units shall be less than one (1) year.

(d) Payment of Awards. Subject to Sections 9.3(c) and 9.4, payment to Participants in respect of vested Performance Share Units and Performance Units shall be made as soon as practicable after the last day of the Performance Cycle to which such Award relates or at such other time or times as the Committee may determine, but in no event later than 2½ months after the end of the calendar year in which the Performance Cycle is completed. Subject to Section 9.4, such payments may be made entirely in Shares valued at their Fair Market Value, entirely in cash, or in such combination of Shares and cash as the Committee in its discretion shall determine at any time prior to such payment; *provided, however*, that if the Committee in its discretion determines to make such payment entirely or partially in Shares of Restricted Stock, the Committee must determine the extent to which such payment will be in Shares of Restricted Stock and the terms of such Restricted Stock at the time the Award is granted.

9.2 Performance-Based Restricted Stock. The Committee, in its discretion, may grant Awards of Performance-Based Restricted Stock to Eligible Individuals, the terms and conditions of which shall be set forth in an Agreement. Each Agreement may require that an appropriate legend be placed on Share certificates. Awards of Performance-Based Restricted Stock shall be subject to the following terms and provisions:

(a) Rights of Participant. Performance-Based Restricted Stock shall be issued in the name of the Participant as soon as reasonably practicable after the Award is granted or at such other time or times as the Committee may determine; *provided, however*, that no Performance-Based Restricted Stock shall be issued until the Participant has executed an Agreement evidencing the Award, the appropriate blank stock powers and, in the discretion of the Committee, an escrow agreement and any other documents which the Committee may require as a condition to the issuance of such Performance-Based Restricted Stock. At the discretion of the Committee, Shares issued in connection with an Award of Performance-Based Restricted Stock shall be deposited together with the stock powers with an escrow agent (which may be the Company) designated by the Committee. Except as restricted by the terms of the Agreement, upon delivery of the Shares to the escrow agent, the Participant shall have, in the discretion of the Committee, all of the rights of a shareholder with respect to such Shares, including the right to vote the Shares and to receive all dividends or other distributions paid or made with respect to the Shares. Each Agreement shall specify the number of Shares of Performance-Based Restricted Stock to which it relates, the Performance Objectives which must be satisfied in order for the Performance-Based Restricted Stock to vest and the Performance Cycle within which such Performance Objectives must be satisfied.

(b) Lapse of Restrictions. Subject to Sections 9.3(c) and 9.4, restrictions upon Performance-Based Restricted Stock awarded hereunder shall lapse and such Performance-Based Restricted Stock shall become vested at such time or times and on such terms, conditions and satisfaction of Performance Objectives as the Committee may, in its discretion, determine at the time an Award is granted; *provided, however*, that, except as may be provided pursuant to Section 9.4, no Performance Cycle for Performance-Based Restricted Stock shall be less than one (1) year.

(c) Treatment of Dividends. At the time the Award of Performance-Based Restricted Stock is granted, the Committee may, in its discretion, determine that the payment to the Participant of dividends, or a specified portion thereof, declared or paid on Shares represented by such Award which have been issued by the Company to the Participant shall be (i) deferred until the lapsing of the restrictions imposed upon such Performance-Based Restricted Stock and (ii) held by the Company for the account of the Participant until such time. In the event that dividends are to be deferred, the Committee shall determine whether such dividends are to be reinvested in Shares (which shall be held as additional Shares of Performance-Based Restricted Stock) or held in cash. If deferred dividends are to be held in cash, there may be credited interest on the amount of the account at such times and at a rate per annum as the Committee, in its discretion, may determine. Payment of deferred dividends in respect of Shares of Performance-Based Restricted Stock (whether held in cash or in additional Shares of Performance-Based Restricted Stock), together with interest accrued thereon, if any, shall be made upon the lapsing of restrictions imposed on the Performance-Based Restricted Stock in respect of which the deferred dividends were paid, and any dividends deferred (together with any interest accrued thereon) in respect of any Performance-Based Restricted Stock shall be forfeited upon the forfeiture of such Performance-Based Restricted Stock.

(d) Delivery of Shares. Upon the lapse of the restrictions on Shares of Performance-Based Restricted Stock awarded hereunder, the Committee shall cause a stock certificate or evidence of book entry Shares to be delivered to the Participant with respect to such Shares, free of all restrictions hereunder.

### 9.3 Performance Objectives

(a) Establishment. Performance Objectives for Performance Awards may be expressed in terms of (i) stock price, (ii) earnings per share, (iii) operating income, (iv) return on equity or assets, (v) cash flow, (vi) EBITDA, (vii) revenues, (viii) overall revenue or sales growth, (ix) expense reduction or management, (x) market position, (xi) total shareholder return, (xii) return on investment, (xiii) earnings before interest and taxes (EBIT), (xiv) net income, (xv) return on net assets, (xvi) economic value added, (xvii) shareholder value added, (xviii) cash flow return on investment, (xix) net operating profit, (xx) net operating profit after tax, (xxi) return on capital, (xxii) return on invested capital, or (xxiii) any combination, including one or more ratios, of the foregoing. Performance Objectives may be in respect of the performance of the Company, any of its Subsidiaries, any of its Divisions or any combination thereof. Performance Objectives may be absolute or relative (to prior performance of the Company or to the performance of one or more other entities or external indices) and may be expressed in terms of a progression within a specified range. In the case of a Performance Award which is intended to constitute Performance-Based Compensation, the Performance Objectives with respect to a Performance Cycle shall be established in writing by the Committee by the earlier of (i) the date on which a quarter of the Performance Cycle has elapsed and (ii) the date which is ninety (90) days after the commencement of the Performance Cycle, and in any event while the performance relating to the Performance Objectives remain substantially uncertain.



(b) Effect of Certain Events. The Committee may, at the time the Performance Objectives in respect of a Performance Award are established, provide for the manner in which performance will be measured against the Performance Objectives to reflect the effects of extraordinary items, gain or loss on the disposal of a business segment (other than provisions for operating losses or income during the phase-out period), unusual or infrequently occurring events and transactions that have been publicly disclosed, changes in accounting principles, the impact of specified corporate transactions (such as a stock split or stock dividend), special charges and tax law changes, all as determined in accordance with generally accepted accounting principles (to the extent applicable); *provided*, that in respect of Performance Awards intended to constitute Performance-Based Compensation, such provisions shall be permitted only to the extent permitted under Section 162(m) of the Code and the regulations promulgated thereunder without adversely affecting the treatment of any Performance Award as Performance-Based Compensation.

(c) Determination of Performance. Prior to the vesting, payment, settlement or lapsing of any restrictions with respect to any Performance Award, the Committee shall certify in writing that the applicable Performance Objectives have been satisfied to the extent necessary for such Award to qualify as Performance-Based Compensation. In respect of a Performance Award, the Committee may, in its sole discretion, reduce the amount of cash paid or number of Shares issued that become vested or on which restrictions lapse. The Committee shall not be entitled to exercise any discretion otherwise authorized hereunder with respect to any Performance Award intended to constitute Performance Based Compensation if the ability to exercise such discretion or the exercise of such discretion itself would cause the compensation attributable to such Awards to fail to qualify as Performance-Based Compensation.

9.4 Effect of Change in Control. The effect of a Change in Control on a Performance Award may be set forth in the applicable Agreement.

9.5 Non-transferability. Until the vesting of Performance Units and Performance Share Units or the lapsing of any restrictions on Performance-Based Restricted Stock, as the case may be, such Performance Units, Performance Share Units or Performance-Based Restricted Stock shall not be sold, transferred or otherwise disposed of and shall not be pledged or otherwise hypothecated.

#### 10. Share Awards.

The Committee may grant a Share Award to any Eligible Individual on such terms and conditions as the Committee may determine in its sole discretion. Share Awards may be made as additional compensation for services rendered by the Eligible Individual or may be in lieu of cash or other compensation to which the Eligible Individual is entitled from the Company.

#### 11. Effect of a Termination of Employment.

The Agreement evidencing the grant of each Option and each Award shall set forth the terms and conditions applicable to such Option or Award upon (a) a termination or change in the status of the employment of the Participant by the Company, a Subsidiary or a Division (including a termination or change by reason of the sale of a Subsidiary or a Division), or (b) in the case of a Director, the cessation of the Director's service on the Board, which shall be as the Committee may, in its discretion, determine at the time the Option or Award is granted or thereafter.

**12. Adjustment Upon Changes in Capitalization.**

12.1 In the event of a Change in Capitalization, the Committee shall conclusively determine the appropriate adjustments, if any, to (a) the maximum number and class of Shares or other stock or securities with respect to which Options or Awards may be granted under the Plan, (b) the maximum number and class of Shares or other stock or securities that may be issued upon exercise of Incentive Stock Options, (c) the maximum number and class of Shares or other stock or securities with respect to which Options or Awards may be granted to any Eligible Individual in any calendar year, (d) the number and class of Shares or other stock or securities, cash or other property which are subject to outstanding Options or Awards granted under the Plan and the exercise price therefore, if applicable and (e) the Performance Objectives.

12.2 Any such adjustment in the Shares or other stock or securities (a) subject to outstanding Incentive Stock Options (including any adjustments in the exercise price) shall be made in such manner as not to constitute a modification as defined by Section 424(h)(3) of the Code and only to the extent otherwise permitted by Sections 422 and 424 of the Code or (b) subject to outstanding Options or Awards that are intended to qualify as Performance-Based Compensation shall be made in such a manner as not to adversely affect the treatment of the Options or Awards as Performance-Based Compensation.

12.3 If, by reason of a Change in Capitalization, a Participant shall be entitled to, or shall be entitled to exercise an Option with respect to, new, additional or different shares of stock or securities of the Company or any other corporation, such new, additional or different shares shall thereupon be subject to all of the conditions, restrictions and performance criteria which were applicable to the Shares subject to the Award or Option, as the case may be, prior to such Change in Capitalization.

**13. Effect of Certain Transactions.**

Subject to the terms of an Agreement, following (a) the liquidation or dissolution of the Company or (b) a merger or consolidation of the Company (a "Transaction"), either (i) each outstanding Option or Award shall be treated as provided for in the agreement entered into in connection with the Transaction or (ii) if not so provided in such agreement, each Optionee and Grantee shall be entitled to receive in respect of each Share subject to any

outstanding Options or Awards, as the case may be, upon exercise of any Option or payment or transfer in respect of any Award, the same number and kind of stock, securities, cash, property or other consideration that each holder of a Share was entitled to receive in the Transaction in respect of a Share; *provided, however*, that such stock, securities, cash, property, or other consideration shall remain subject to all of the conditions, restrictions and performance criteria which were applicable to the Options and Awards prior to such Transaction. Without limiting the generality of the foregoing, the treatment of outstanding Options and Stock Appreciation Rights pursuant to clause (i) of this Section 13 in connection with a Transaction may include the cancellation of outstanding Options and Stock Appreciation Rights upon consummation of the Transaction provided either (x) the holders of affected Options and Stock Appreciation Rights have been given a period of at least fifteen (15) days prior to the date of the consummation of the Transaction to exercise the Options or Stock Appreciation Rights (whether or not they were otherwise exercisable) or (y) the holders of the affected Options and Stock Appreciation Rights are paid (in cash or cash equivalents) in respect of each Share covered by the Option or Stock Appreciation Right being cancelled an amount equal to the excess, if any, of the per share price paid or distributed to stockholders in the transaction (the value of any non-cash consideration to be determined by the Committee in its sole discretion) over the exercise price of the Option or Stock Appreciation Right. For avoidance of doubt, (1) the cancellation of Options and Stock Appreciation Rights pursuant to clause (y) of the preceding sentence may be effected notwithstanding anything to the contrary contained in this Plan or any Agreement and (2) if the amount determined pursuant to clause (y) of the preceding sentence is zero or less, the affected Option or Stock Appreciation Right may be cancelled without any payment therefor. The treatment of any Option or Award as provided in this Section 13 shall be conclusively presumed to be appropriate for purposes of Section 12.

**14. Interpretation.**

14.1 Section 16 Compliance. The Plan is intended to comply with Rule 16b-3 promulgated under the Exchange Act and the Committee shall interpret and administer the provisions of the Plan or any Agreement in a manner consistent therewith. Any provisions inconsistent with such Rule shall be inoperative and shall not affect the validity of the Plan.

14.2 Section 162(m). Unless otherwise determined by the Committee at the time of grant, each Option, Stock Appreciation Right and Performance Award is intended to be Performance Based Compensation. Unless otherwise determined by the Committee, if any provision of the Plan or any Agreement relating to an Option or Award that is intended to be Performance-Based Compensation does not comply or is inconsistent with Section 162(m) of the Code or the regulations promulgated thereunder (including IRS Regulation § 1.162-27), such provision shall be construed or deemed amended to the extent necessary to conform to such requirements, and no provision shall be deemed to confer upon the Committee discretion to increase the amount of compensation otherwise payable in connection with any such Option or Award upon the attainment of the Performance Objectives.

14.3 Compliance With Section 409A. All Options and Awards granted under the Plan are intended either not to be subject to Section 409A of the Code or, if subject to Section 409A of the Code, to be administered, operated and construed in compliance with Section 409A of the Code and any guidance issued thereunder. Notwithstanding this or any other provision of the Plan to the contrary, the Committee may amend the Plan or any Option or Award granted hereunder in any manner, or take any other action that it determines, in its sole discretion, is necessary, appropriate or advisable (including replacing any Option or Award) to cause the Plan or any Option or Award granted hereunder to comply with Section 409A and any guidance issued thereunder or to not be subject to Section 409A. Any such action, once taken, shall be deemed to be effective from the earliest date necessary to avoid a violation of Section 409A and shall be final, binding and conclusive on all Eligible Individuals and other individuals having or claiming any right or interest under the Plan.

15. **Termination and Amendment of the Plan or Modification of Options and Awards**.

15.1 Plan Amendment or Termination. The Board may at any time terminate the Plan and the Board may at any time and from time to time amend, modify or suspend the Plan; *provided, however*, that:

(a) no such amendment, modification, suspension or termination shall impair or adversely alter any Options or Awards theretofore granted under the Plan, except with the consent of the Participant, nor shall any amendment, modification, suspension or termination deprive any Participant of any Shares which he or she may have acquired through or as a result of the Plan; and

(b) to the extent necessary under any applicable law, regulation or exchange requirement, no other amendment shall be effective unless approved by the shareholders of the Company in accordance with applicable law, regulation or exchange requirement.

15.2 Modification of Options and Awards. No modification of an Option or Award shall adversely alter or impair any rights or obligations under the Option or Award without the consent of the Participant.

16. **Non-Exclusivity of the Plan**.

The adoption of the Plan by the Board shall not be construed as amending, modifying or rescinding any previously approved incentive arrangement or as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of stock options otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

**17. Limitation of Liability.**

As illustrative of the limitations of liability of the Company, but not intended to be exhaustive thereof, nothing in the Plan shall be construed to:

- (a) give any person any right to be granted an Option or Award other than at the sole discretion of the Committee;
- (b) give any person any rights whatsoever with respect to Shares except as specifically provided in the Plan;
- (c) limit in any way the right of the Company or any Subsidiary to terminate the employment of any person at any time; or
- (d) be evidence of any agreement or understanding, express or implied, that the Company will employ any person at any particular rate of compensation or for any particular period of time.

**18. Regulations and Other Approvals; Governing Law.**

18.1 Except as to matters of federal law, the Plan and the rights of all persons claiming hereunder shall be construed and determined in accordance with the laws of the State of Delaware without giving effect to conflicts of laws principles thereof.

18.2 The obligation of the Company to sell or deliver Shares with respect to Options and Awards granted under the Plan shall be subject to all applicable laws, rules and regulations, including all applicable federal and state securities laws, and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Committee.

18.3 The Board may make such changes as may be necessary or appropriate to comply with the rules and regulations of any government authority, or to obtain for Eligible Individuals granted Incentive Stock Options the tax benefits under the applicable provisions of the Code and regulations promulgated thereunder.

18.4 Each grant of an Option and Award and the issuance of Shares or other settlement of the Option or Award is subject to the compliance with all applicable federal, state or foreign law. Further, if at any time the Committee determines, in its discretion, that the listing, registration or qualification of Shares issuable pursuant to the Plan is required by any securities exchange or under any federal, state or foreign law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the grant of an Option or Award or the issuance of Shares, no Options or Awards shall be or shall be deemed to be granted or payment made or Shares issued, in whole or in part, unless listing,

registration, qualification, consent or approval has been effected or obtained free of any conditions that are not acceptable to the Committee. Any person exercising an Option or receiving Shares in connection with any other Award shall make such representations and agreements and furnish such information as the Board or Committee may request to assure compliance with the foregoing or any other applicable legal requirements.

18.5 Notwithstanding anything contained in the Plan or any Agreement to the contrary, in the event that the disposition of Shares acquired pursuant to the Plan is not covered by a then current registration statement under the Securities Act of 1933, as amended (the "Securities Act"), and is not otherwise exempt from such registration, such Shares shall be restricted against transfer to the extent required by the Securities Act and Rule 144 or other regulations promulgated thereunder. The Committee may require any individual receiving Shares pursuant to an Option or Award granted under the Plan, as a condition precedent to receipt of such Shares, to represent and warrant to the Company in writing that the Shares acquired by such individual are acquired without a view to any distribution thereof and will not be sold or transferred other than pursuant to an effective registration thereof under the Securities Act or pursuant to an exemption applicable under the Securities Act or the rules and regulations promulgated thereunder. The certificates evidencing any of such Shares shall be appropriately amended or have an appropriate legend placed thereon to reflect their status as restricted securities as aforesaid.

19. Miscellaneous.

19.1 Multiple Agreements. The terms of each Option or Award may differ from other Options or Awards granted under the Plan at the same time, or at some other time. The Committee may also grant more than one Option or Award to a given Eligible Individual during the term of the Plan, either in addition to, or subject to Section 3.6, in substitution for, one or more Options or Awards previously granted to that Eligible Individual.

19.2 Withholding of Taxes.

(a) The Company or any Subsidiary may withhold from any payment of cash or Shares to a Participant or other person under the Plan an amount sufficient to cover any withholding taxes which may become required with respect to such payment or shall take any other action as it deems necessary to satisfy any income or other tax withholding requirements as a result of the grant or exercise of any Award under the Plan. The Company or any Subsidiary shall have the right to require the payment of any such taxes and require that any person furnish information deemed necessary by the Company or any Subsidiary to meet any tax reporting obligation as a condition to exercise or before making any payment pursuant to an Award or Option. If specified in an Agreement at the time of grant or otherwise approved by the Committee, a Participant may, in satisfaction of his or her obligation to pay withholding taxes in connection with the exercise, vesting or other settlement of an Option or Award, elect to (i) make a cash payment to the Company, (ii) have withheld a portion of the Shares then issuable to him or

her, or (iii) surrender Shares owned by the Participant prior to the exercise, vesting or other settlement of an Option or Award, in each case having an aggregate Fair Market Value equal to the withholding taxes.

(b) If a Participant makes a disposition, within the meaning of Section 424(c) of the Code and regulations promulgated thereunder, of any Share or Shares issued to such Participant pursuant to the exercise of an Incentive Stock Option within the two-year period commencing on the day after the date of the grant or within the one-year period commencing on the day after the date of transfer of such Share or Shares to the Participant pursuant to such exercise, the Participant shall, within ten (10) days of such disposition, notify the Company thereof, by delivery of written notice to the Company at its principal executive office.

19.3 Plan Unfunded. The Plan shall be unfunded. Except for reserving a sufficient number of authorized Shares to the extent required by law to meet the requirements of the Plan, the Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure payment of any Award or Option granted under the Plan.

19.4 Beneficiary Designation. Each Participant may, from time to time, name one or more individuals (each, a "Beneficiary") to whom any benefit under the Plan is to be paid in case of the Participant's death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime. In the absence of any such designation, benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate.

19.5 Effective Date/Term. The effective date of the Plan shall be as determined by the Board, subject only to the approval by the affirmative vote of the holders of a majority of the securities of the Company present, or represented, and entitled to vote at a meeting of shareholders duly held in accordance with the applicable laws of the State of Delaware within twelve (12) months after the adoption of the Plan by the Board (the "Effective Date").

The Plan shall terminate on the Termination Date. No Option or Award shall be granted after the Termination Date. The applicable terms of the Plan, and any terms and conditions applicable to Options and Awards granted prior to the Termination Date shall survive the termination of the Plan and continue to apply to such Options and Awards.

19.6 Post-Transition Period. Following the end of the Transition Period, any Option or Award granted under the Plan which is intended to be Performance-Based Compensation, shall be subject to the approval of the material terms of the Plan by the stockholders of the Company in accordance with Section 162(m) of the Code and the regulations promulgated thereunder.

THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT  
OF  
COFFEYVILLE ACQUISITION LLC

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Table of Contents

Page

ARTICLE I

FORMATION OF THE COMPANY

Section 1.1	Formation	2
Section 1.2	Company Name	2
Section 1.3	The Certificate, etc	2
Section 1.4	Term of Company	2
Section 1.5	Registered Agent and Office	2
Section 1.6	Principal Place of Business	3
Section 1.7	Qualification in Other Jurisdictions	3
Section 1.8	Fiscal Year; Taxable Year	3

ARTICLE II

PURPOSE AND POWERS OF THE COMPANY

Section 2.1	Purpose	3
Section 2.2	Powers of the Company	3
Section 2.3	Certain Tax Matters	3

ARTICLE III

MEMBERS AND INTERESTS GENERALLY

Section 3.1	Powers of Members	3
Section 3.2	Interests Generally	4
Section 3.3	Meetings of Members	5
Section 3.4	Business Transactions of a Member with the Company	6
Section 3.5	No Cessation of Membership upon Bankruptcy	6
Section 3.6	Additional Members	6
Section 3.7	Other Business for Members	7

ARTICLE IV

MANAGEMENT

Section 4.1	Board	8
Section 4.2	Meetings of the Board	8
Section 4.3	Quorum and Acts of the Board	8
Section 4.4	Electronic Communications	9
Section 4.5	Committees of Directors	9
Section 4.6	Compensation of Directors	9
Section 4.7	Resignation	9
Section 4.8	Removal of Directors	10
Section 4.9	Vacancies	10

Table of Contents  
(continued)

		<u>Page</u>
Section 4.10	Directors as Agents	10
Section 4.11	Officers	10
Section 4.12	Strategic Planning Committee	10
ARTICLE V		
INVESTMENT REPRESENTATIONS, WARRANTIES AND COVENANTS		
Section 5.1	Representations, Warranties and Covenants of Members	11
Section 5.2	Additional Representations and Warranties of Non-Investor Members	12
Section 5.3	Additional Representations and Warranties of Investor Members	13
Section 5.4	Additional Covenants of Management Members	13
ARTICLE VI		
CAPITAL ACCOUNTS; CAPITAL CONTRIBUTIONS		
Section 6.1	Capital Accounts	13
Section 6.2	Adjustments	14
Section 6.3	Additional Capital Contributions	14
Section 6.4	Negative Capital Accounts	14
ARTICLE VII		
ADDITIONAL TERMS APPLICABLE TO OVERRIDE UNITS		
Section 7.1	Certain Terms	14
Section 7.2	Effects of Termination of Employment on Override Units	15
ARTICLE VIII		
ALLOCATIONS		
Section 8.1	Book Allocations of Net Income and Net Loss	17
Section 8.2	Special Book Allocations	18
Section 8.3	Tax Allocations	18
ARTICLE IX		
DISTRIBUTIONS		
Section 9.1	Distributions Generally	19
Section 9.2	Distributions In Kind	20
Section 9.3	No Withdrawal of Capital	20
Section 9.4	Withholding	20
Section 9.5	Restricted Distributions	21

Table of Contents  
(continued)

		<u>Page</u>
Section 9.6	Tax Distributions	21
ARTICLE X		
BOOKS AND RECORDS		
Section 10.1	Books, Records and Financial Statements	21
Section 10.2	Filings of Returns and Other Writings; Tax Matters Partner	21
Section 10.3	Accounting Method	22
ARTICLE XI		
LIABILITY, EXCULPATION AND INDEMNIFICATION		
Section 11.1	Liability	22
Section 11.2	Exculpation	22
Section 11.3	Fiduciary Duty	23
Section 11.4	Indemnification	23
Section 11.5	Expenses	23
Section 11.6	Severability	23
ARTICLE XII		
TRANSFERS OF INTERESTS		
Section 12.1	Restrictions on Transfers of Interests by Members	24
Section 12.2	Overriding Provisions	24
Section 12.3	Estate Planning Transfers; Transfers upon Death of a Management Member	24
Section 12.4	Involuntary Transfers	25
Section 12.5	Assignments	25
Section 12.6	Substitute Members	25
Section 12.7	Release of Liability	26
ARTICLE XIII		
DISSOLUTION, LIQUIDATION AND TERMINATION		
Section 13.1	Dissolving Events	26
Section 13.2	Dissolution and Winding-Up	26
Section 13.3	Distributions in Cash or in Kind	27
Section 13.4	Termination	27
Section 13.5	Claims of the Members	27

Table of Contents  
(continued)

Page

ARTICLE XIV

MISCELLANEOUS

Section 14.1	Notices	28
Section 14.2	Securities Act Matters	29
Section 14.3	Headings	29
Section 14.4	Entire Agreement	29
Section 14.5	Counterparts	29
Section 14.6	Governing Law; Attorneys' Fees	29
Section 14.7	Waivers	29
Section 14.8	Invalidity of Provision	30
Section 14.9	Further Actions	30
Section 14.10	Amendments	30
Section 14.11	No Third Party Beneficiaries	30
Section 14.12	Injunctive Relief	31
Section 14.13	Power of Attorney	31

ARTICLE XV

DEFINED TERMS

Section 15.1	Definitions	32
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THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF  
COFFEYVILLE ACQUISITION LLC

This Third Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition LLC (the "**Company**") is dated as of October 16, 2007, among the entities listed under the heading "Kelso Members" on Schedule A hereto (each, a "**Kelso Member**" and, collectively, the "**Investor Members**"), the individuals listed under the heading "Management Members" on Schedule A hereto (each a "**Management Member**" and collectively, the "**Management Members**" which term shall also include such other management employees of the Company who become members of the Company and are designated "Management Members" after the date hereof in accordance with Section 3.6 of this Agreement) and the Persons listed under the heading "Outside Members" on Schedule A hereto (each an "**Outside Member**" and together with any Persons who become members of the Company and are designated "Outside Members" after the date hereof in accordance with Section 3.6 of this Agreement, the "**Outside Members**"). The Management Members, the Inactive Management Members and the Outside Members are collectively referred to herein as the "**Non-Investor Members**." The Investor Members and the Non-Investor Members are collectively referred to herein as the "**Members**." Any capitalized term used herein without definition shall have the meaning set forth in Article XV.

WHEREAS, the GSCP Members (as defined in the Original LLC Agreement) entered into a limited liability company agreement, dated as of May 13, 2005 (the "**Original LLC Agreement**"), to govern the Company;

WHEREAS, on June 24, 2005, in connection with the consummation of the transactions contemplated by the Stock Purchase Agreement, the GSCP Members entered into an amended and restated limited liability company agreement (the "**Amended and Restated LLC Agreement**") for the purpose of, among other things, admitting the Kelso Members and the Outside Members as Additional Members (as defined in the Original LLC Agreement) of the Company;

WHEREAS, on July 25, 2005, the Members of the Company as of such date entered into a second amended and restated limited liability company agreement (the "**Second Amended and Restated LLC Agreement**") for the purpose of, among other things, admitting additional members to the Company;

WHEREAS, contemporaneously with this Agreement, the Company entered into a limited liability company agreement with Coffeyville Acquisition II LLC, a Delaware limited liability company ("**CA II**"), pursuant to which the Company contributed 50% of its assets to CA II in consideration of the issuance by CA II to the Company of 100% of the membership interests of CA II;

WHEREAS, contemporaneously with this Agreement, the Company entered into a redemption agreement with the GSCP Members (as such term is defined in the Second Amended and Restated LLC Agreement), Wesley Clark and the Management Members, pursuant to which the Company redeemed 100% of the Interests of each of the GSCP Members and one-half of the

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Interests of each of the Management Members and Wesley Clark in exchange for 100% of the membership interests of CA II held by the Company;

WHEREAS the redemption shall be treated as a division of the Company within the meaning of Treasury Regulation section 1.708-1(d) with neither the Company nor CA II treated as a continuing partnership; and

WHEREAS, the parties hereto desire to enter into this Agreement for the purpose of adopting the terms of this Agreement as the complete expression of the covenants, agreements and undertakings of the parties hereto with respect to the affairs of the Company, the conduct of its business and the rights and obligations of the Members, thereby amending, restating, replacing and superseding the Second Amended and Restated LLC Agreement in its entirety.

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

## ARTICLE I

### FORMATION OF THE COMPANY

**Section 1.1 Formation.** The Company was formed upon the filing of the Certificate with the Secretary of State of the State of Delaware on May 13, 2005.

**Section 1.2 Company Name.** The name of the Company is Coffeyville Acquisition LLC. The business of the Company may be conducted under such other names as the Board may from time to time designate; provided that the Company complies with all relevant state laws relating to the use of fictitious and assumed names.

**Section 1.3 The Certificate, etc.** Each Director is hereby authorized to execute, deliver, file and record all such other certificates and documents, including amendments to or restatements of the Certificate, and to do such other acts as may be appropriate to comply with all requirements for the formation, continuation and operation of a limited liability company, the ownership of property, and the conduct of business under the laws of the State of Delaware and any other jurisdiction in which the Company may own property or conduct business.

**Section 1.4 Term of Company.** The term of the Company commenced on the date of the initial filing of the Certificate with the Secretary of State of the State of Delaware. The Company may be terminated in accordance with the terms and provisions hereof, and shall continue unless and until dissolved as provided in Article XIII. The existence of the Company as a separate legal entity shall continue until the cancellation of the Certificate as provided in the Delaware Act.

**Section 1.5 Registered Agent and Office.** The Company's registered agent and office in the State of Delaware is The Corporation Trust Company located at 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The Board may designate another registered

agent and/or registered office from time to time in accordance with the then applicable provisions of the Delaware Act and any other applicable laws.

**Section 1.6 Principal Place of Business.** The principal place of business of the Company is located at 10 E. Cambridge Circle, Ste. 250, Kansas City, Kansas 66103. The location of the Company's principal place of business may be changed by the Board from time to time in accordance with the then applicable provisions of the Delaware Act and any other applicable laws.

**Section 1.7 Qualification in Other Jurisdictions.** Any authorized person of the Company shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

**Section 1.8 Fiscal Year; Taxable Year.** The fiscal year of the Company for financial accounting purposes shall end on December 31.

## ARTICLE II

### PURPOSE AND POWERS OF THE COMPANY

**Section 2.1 Purpose.** The purposes of the Company are, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Delaware Act and engaging in all acts or activities as the Company deems necessary, advisable or incidental to the furtherance of the foregoing.

**Section 2.2 Powers of the Company.** The Company shall have the power and authority to take any and all actions that are necessary, appropriate, advisable, convenient or incidental to or for the furtherance of the purposes set forth in Section 2.1.

**Section 2.3 Certain Tax Matters.** The Company shall not elect, and the Board shall not permit the Company to elect, to be treated as an association taxable as a corporation for U.S. federal, state or local income tax purposes under Treasury Regulations section 301.7701-3 or under any corresponding provision of state or local law. The Company and the Board shall not permit the registration or listing of the Interests on an "established securities market," as such term is used in Treasury Regulations section 1.7704-1.

## ARTICLE III

### MEMBERS AND INTERESTS GENERALLY

**Section 3.1 Powers of Members.** The Members shall have the power to exercise any and all rights or powers granted to the Members pursuant to the express terms of this Agreement. The approval or consent of the Members shall not be required in order to authorize the taking of any action by the Company unless and then only to the extent that (a) this Agreement shall expressly provide therefor, (b) such approval or consent shall be required by non-waivable provisions of the Delaware Act or (c) the Board shall have determined in its sole discretion that

obtaining such approval or consent would be appropriate or desirable. The Members, as such, shall have no power to bind the Company.

**Section 3.2 Interests Generally.** As of the date hereof, the Company has two authorized classes of Interests: Common Units and Override Units (which will consist of either Operating Units or Value Units as described below). Except as otherwise provided in this Article III, the Company shall not (1) authorize additional classes of Interests denominated in the form of Units other than Override Units or (2) to issue Units in a particular class to any Person other than a Management Member (including any Person who becomes a Management Member at any time after the date of this Agreement in accordance with Section 3.6) without (x) the prior consent of the Board, (y) the prior consent of a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by a proposed additional class of Interests, by such Management Member and (z) the prior consent of CA II. Additional classes of Override Units may be authorized from time to time by the Board without obtaining the consent of any Member, class of Members or CA II.

(a) Common Units.

(i) General. Subject to the provisions of Section 7.2(b), the holders of Common Units will have voting rights with respect to their Common Units as provided in Section 3.3(d) and shall have the rights with respect to profits and losses of the Company and distributions from the Company as are set forth herein. The number of Common Units of each Member as of any given time shall be set forth on Schedule A, as it may be updated from time to time in accordance with this Agreement.

(ii) Price. The payment terms and schedule for the Capital Contributions applicable to any Common Unit will be determined by the Board upon issuance of such Common Units.

(b) Override Units.

(i) General. The Company will have two sub-classes of Override Units: Operating Units and Value Units. Subject to the provisions of Article VII hereof (including the applicable Benchmark Amount), the holders of Override Units will have no voting rights with respect to their Override Units but shall have the rights with respect to profits and losses of the Company and distributions from the Company as are set forth herein; provided that additional terms and conditions applicable to an Override Unit may be established by the Board in connection with the issuance of any such Override Unit to a person who becomes a Management Member at any time after the date of this Agreement in accordance with Section 3.6 hereof. The number of Override Units issued to a Management Member as of any given time shall be set forth on Schedule A, as it may be updated from time to time in accordance with this Agreement. Following the forfeiture and cancellation of any Override Units pursuant to Section 7.2, the Company may issue a number of Override Units up to such number of forfeited and cancelled Override Units as the Board may determine, without obtaining the consent of any Member, class of Members or CA II.



(ii) **Price.** The holders of Override Units are not required to make any Capital Contribution to the Company in exchange for their Override Units, it being recognized that, unless otherwise determined by a majority of the Board, such Units shall be issued only to Management Members who own Common Units and who agree to provide services to the Company pursuant to Section 4.12.

(c) At least 30 days prior to any issuance of Interests by the Company to any Management Member (including any Person who becomes a Management Member at any time after the date of this Agreement in accordance with Section 3.6), the Company shall deliver a written notice to that effect to CA II, which notice shall include the amount and type of Interests to be issued, the identity of such Management Member or Management Members, the Capital Contribution expected to be made with respect to such Interests, if any, and any other material terms and conditions of such proposed issuance.

**Section 3.3 Meetings of Members.**

(a) **Meetings; Notice of Meetings.** Meetings of the Members, including any special meeting, may be called by the Board from time to time. Notice of any such meeting shall be given to all Members not less than two nor more than 30 business days prior to the date of such meeting and shall state the location, date and hour of the meeting and, in the case of a special meeting, the nature of the business to be transacted. Meetings shall be held at the location (within or without the State of Delaware) at the date and hour set forth in the notice of the meeting.

(b) **Waiver of Notice.** No notice of any meeting of Members need be given to any Member who submits a signed waiver of notice, whether before or after the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members need be specified in a written waiver of notice. The attendance of any Member at a meeting of Members shall constitute a waiver of notice of such meeting, except when the Member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) **Quorum.** Except as otherwise required by applicable law or by the Certificate, the presence in person or by proxy of the holders of record of a Majority in Interest shall constitute a quorum for the transaction of business at such meeting.

(d) **Voting.** If the Board has fixed a record date, every holder of record of Units entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members as of such date shall be entitled to one vote for each such Unit outstanding in such Member's name at the close of business on such record date. Holders of record of Override Units will have no voting rights with respect to such Units. If no record date has been so fixed, then every holder of record of such Units entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members shall be entitled to one vote for each Unit outstanding in his name on the close of business on the day next preceding the day on which notice of the meeting is given or the first consent in respect of the applicable action is executed and delivered to the Company, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. Except as otherwise required by applicable law, the Certificate or this

Agreement, the vote of a Majority in Interest at any meeting at which a quorum is present shall be sufficient for the transaction of any business at such meeting.

(e) Proxies. Each Member may authorize any Person to act for such Member by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or such Member's attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it unless otherwise provided in such proxy; provided, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

(f) Organization. Each meeting of Members shall be conducted by such Person as the Board may designate.

(g) Action Without a Meeting. Unless otherwise provided in this Agreement, any action which may be taken at any meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by a Majority in Interest. Prompt notice of the taking of the action without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing.

**Section 3.4 Business Transactions of a Member with the Company**. A Member may lend money to, borrow money from, act as surety or endorser for, guarantee or assume one or more specific obligations of, provide collateral for, or transact any other business with the Company or any of its Subsidiaries; provided that any such transaction shall require the approval of the Board.

**Section 3.5 No Cessation of Membership upon Bankruptcy**. A Person shall not cease to be a Member of the Company upon the happening, with respect to such Person, of any of the events specified in Section 18-304 of the Delaware Act.

**Section 3.6 Additional Members**

(a) Admission Generally. Upon the approval of (x) the Board, (y) a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by such action, by such Management Member and (z) CA II, the Company may admit one or more additional Members (each, an "**Additional Member**"), to be treated as a "Member" or one of the "Members" for all purposes hereunder. The Board may designate any such Additional Member as an "Investor Member," a "Management Member" or an "Outside Member" hereunder. Notwithstanding the foregoing, one or more management employees of the Company may be admitted as a Management Member upon approval of the Board without obtaining the consent of any Member, class of Members or CA II.

(b) Rights of Additional Members. Prior to the admission of an Additional Member, the Board shall determine:

(i) the Capital Contribution (if any) of such Additional Member;

(ii) the rights, if any, of such Additional Member to appoint Directors to the Board;

(iii) the number of Units to be granted to such Additional Member and whether such Units shall be Common Units, Override Units or Units of an additional class of Interests authorized pursuant to the terms of this Agreement; and in the case of Common Units, the price to be paid therefor and in the case of any Override Units, the applicable Benchmark Amount and terms thereof, including whether such Override Units are Operating Units or Value Units; and

(iv) whether such Additional Member will be a Management Member or an Investor Member or an Outside Member; provided that the rights and obligations of any Outside Member shall be as specified by the Board in its sole discretion and, if such terms are different from the terms applicable to the Outside Members as provided herein, this Agreement shall be amended, in accordance with Section 14.10, to reflect such terms.

(c) Admission Procedure. Each Person shall be admitted as an Additional Member at the time such Person (i) executes a joinder agreement to this Agreement, (ii) makes Capital Contributions (if any) to the Company in an amount to be determined by the Board, (iii) complies with the applicable Board resolution, if any, with respect to such admission, (iv) is issued Units (if any) by the Company and (v) is named as a Member in Schedule A (as described in Section 12.2) hereto. The Board is authorized to amend Schedule A to reflect any issuance of Units and any such admission and any actions pursuant to this Section 3.6.

**Section 3.7 Other Business for Members.**

(a) Existing Business Ventures. Each Member, Director and their respective Affiliates may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Company, and the Company, the Directors and the Members shall have no rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Company, shall not be deemed wrongful or improper.

(b) Business Opportunities. No Member, Director or any of their respective Affiliates shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that the Company or any of its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and each Member, Director or any of their respective Affiliates shall have the right to take for such Person's own account (individually or as a partner or fiduciary) or to recommend to others any such particular investment opportunity.

(c) Management Members. For the avoidance of doubt, the provisions of Section 3.7(a) and (b) shall not in any way limit any non-competition or non-solicitation restrictions contained in an employment, severance, separation or services agreement between any Management

Member or any other Member who is an employee of the Company or any of its Subsidiaries and the Company or any of its Subsidiaries.

**ARTICLE IV**  
**MANAGEMENT**

**Section 4.1 Board.**

(a) Generally. The business and affairs of the Company shall be managed by or under the direction of a committee of the Company (the "**Board**") consisting of such number of natural persons (each, a "**Director**") as shall be established by the vote, approval or consent of a Majority in Interest from time to time. The Directors shall be appointed to the Board upon the vote, approval or consent of a Majority in Interest. Directors need not be Members. Subject to the other provisions of this Article IV, the Board shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company and to take all such actions as it deems necessary or appropriate to accomplish the purposes of the Company as set forth herein, including, without limitation, to exercise all of the powers of the Company set forth in Section 2.2 of this Agreement. Each person named as a Director herein or subsequently appointed as a Director is hereby designated as a "manager" (within the meaning of the Delaware Act) of the Company. Except as otherwise provided herein, and notwithstanding the last sentence of Section 18-402 of the Delaware Act, no single Director may bind the Company, and the Board shall have the power to act only collectively in accordance with the provisions and in the manner specified herein. Each Director shall hold office until a successor is appointed in accordance with this Section 4.1(b) or until such Director's earlier death, resignation or removal in accordance with the provisions hereof.

(b) Current Directors. Subject to the right to increase or decrease the authorized number of Directors pursuant to the first sentence of Section 4.1(a), the Board shall consist of two Directors. The two Directors referenced in the immediately preceding sentence shall be Stanley de J. Osborne and George E. Matelich.

**Section 4.2 Meetings of the Board.** The Board shall meet from time to time to discuss the business of the Company. The Board may hold meetings either within or without the State of Delaware. Meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board. The Chief Executive Officer of the Company or a majority of the Board may call a meeting of the Board on five business days' notice to each Director, either personally, by telephone, by facsimile or by any other similarly timely means of communication, which notice requirement may be waived by the Directors.

**Section 4.3 Quorum and Acts of the Board.**

(a) At all meetings of the Board, two Directors shall constitute a quorum for the transaction of business, unless the number of Directors is increased or decreased pursuant to Section 4.1(a), in which case the presence of a majority of the then authorized number of Directors shall constitute a quorum. If a quorum shall not be present at any meeting of the

Board, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if a majority of the members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

(b) Except as otherwise provided in this Agreement, 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.

**Section 4.4 Electronic Communications.** Members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

**Section 4.5 Committees of Directors.** The Board may, by resolution passed by a majority of Directors, designate one or more committees. Such resolution shall specify the duties, quorum requirements and qualifications of the members of such committees, each such committee to consist of such number of Directors as the Board may fix from time to time. 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 the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

**Section 4.6 Compensation of Directors.** The Board shall have the authority to fix the compensation of Directors. The Directors may be paid their expenses, if any, of attendance at such meetings of the Board and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary as a Director. No such payment shall preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Members of any committee of the Board may be allowed like compensation for attending committee meetings.

**Section 4.7 Resignation.** Any Director may resign at any time by giving written notice to the Company. The resignation of any Director shall take effect upon receipt of such notice or at such later time as shall be specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation by the Company, the Members or the remaining Directors shall not be necessary to make it effective. Upon the effectiveness of any such resignation, such Director shall cease to be a "manager" (within the meaning of the Delaware Act).

**Section 4.8 Removal of Directors.** Members shall have the right to remove any Director at any time for cause upon the affirmative vote of a Majority in Interest. In addition, a majority of the Directors then in office shall have the right to remove a Director for cause. Upon the taking of such action, the Director shall cease to be a “manager” (within the meaning of the Delaware Act). Any vacancy caused by any such removal shall be filled in accordance with Section 4.9.

**Section 4.9 Vacancies.** If any vacancies shall occur in the Board, by reason of death, resignation, deemed resignation, removal or otherwise, the Directors then in office shall continue to act, and actions that would otherwise be taken by a majority of the Directors may be taken by a majority of the Directors then in office, even if less than a quorum. A Director elected to fill a vacancy shall hold office until his or her successor has been elected and qualified or until his or her earlier death, resignation or removal.

**Section 4.10 Directors as Agents.** The Directors, to the extent of their powers set forth in this Agreement, are agents of the Company for the purpose of the Company’s business, and the actions of the Directors taken in accordance with such powers shall bind the Company. Except as otherwise provided in Section 1.3 and notwithstanding the last sentence of Section 18-402 of the Delaware Act, no single Director shall have the power to bind the Company and the Board shall have the power to act only collectively in the manner specified herein.

**Section 4.11 Officers.** The Board shall appoint an individual or individuals to serve as the Company’s Chief Executive Officer and President and Chief Financial Officer and may, from time to time as it deems advisable, appoint additional officers of the Company (together with the Chief Executive Officer and President and Chief Financial Officer, the “**Officers**”) and assign such officers titles (including, without limitation, Vice President, Secretary and Treasurer). Unless otherwise decided by a majority of the Board, each Management Member shall be an officer of the Company. Unless the Board decides otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section 4.11 may be revoked at any time by the Board. Any Officer may be removed with or without cause by the Board, except as otherwise provided in any services or employment agreement between such Officer and the Company.

**Section 4.12 Strategic Planning Committee.** The Company shall establish a Strategic Planning Committee to advise the President and Chief Executive Officer of the Company on such matters as he shall request, which shall at a minimum include (but shall not be limited to) assessment of and advice regarding (a) the business affairs and prospects of the Company and its Subsidiaries; (b) developing and implementing corporate and business strategy and planning for the Company and its Subsidiaries, including plans and programs for improving operating, marketing and financial performance, budgeting of future corporate investments, acquisition and divestiture strategies, and reorganization programs and (c) planning for and assessment of strategic opportunities and disposition prospects for the Company and its Subsidiaries. The Strategic Planning Committee shall have no decision-making authority, but instead shall advise and report to, and be chaired by, the President and Chief Executive Officer of the Company. The Strategic Planning Committee shall consist of each Management Member (excluding Inactive

Management Members). The Strategic Planning Committee shall meet at least semiannually and in connection with matters determined by the Board in its sole discretion.

## ARTICLE V

### INVESTMENT REPRESENTATIONS, WARRANTIES AND COVENANTS

#### Section 5.1 Representations, Warranties and Covenants of Members.

(a) Investment Intention and Restrictions on Disposition. Each Member represents and warrants that such Member is acquiring the Interests solely for such Member's own account for investment and not with a view to resale in connection with any distribution thereof. Each Member agrees that such Member will not, directly or indirectly, Transfer any of the Interests (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of any of the Interests) or any interest therein or any rights relating thereto or offer to Transfer, except in compliance with the Securities Act, all applicable state securities or "blue sky" laws and this Agreement, as the same shall be amended from time to time. Any attempt by a Member, directly or indirectly, to Transfer, or offer to Transfer, any Interests or any interest therein or any rights relating thereto without complying with the provisions of this Agreement, shall be void and of no effect.

(b) Securities Laws Matters. Each Member acknowledges receipt of advice from the Company that (i) the Interests have not been registered under the Securities Act or qualified under any state securities or "blue sky" laws, (ii) it is not anticipated that there will be any public market for the Interests, (iii) the Interests must be held indefinitely and such Member must continue to bear the economic risk of the investment in the Interests unless the Interests are subsequently registered under the Securities Act and such state laws or an exemption from registration is available, (iv) Rule 144 promulgated under the Securities Act ("Rule 144") is not presently available with respect to sales of any securities of the Company and the Company has made no covenant to make Rule 144 available and Rule 144 is not anticipated to be available in the foreseeable future, (v) when and if the Interests may be disposed of without registration in reliance upon Rule 144, such disposition can be made only in limited amounts and in accordance with the terms and conditions of such Rule and the provisions of this Agreement, (vi) if the exemption afforded by Rule 144 is not available, public sale of the Interests without registration will require the availability of an exemption under the Securities Act, (vii) restrictive legends shall be placed on any certificate representing the Interests and (viii) a notation shall be made in the appropriate records of the Company indicating that the Interests are subject to restrictions on transfer and, if the Company should in the future engage the services of a transfer agent, appropriate stop-transfer instructions will be issued to such transfer agent with respect to the Interests.

(c) Ability to Bear Risk. Each Member represents and warrants that (i) such Member's financial situation is such that such Member can afford to bear the economic risk of holding the Interests for an indefinite period and (ii) such Member can afford to suffer the complete loss of such Member's investment in the Interests.

(d) Access to Information; Sophistication; Lack of Reliance. Each Member represents and warrants that (i) such Member is familiar with the business and financial condition,

properties, operations and prospects of the Company and that such Member has been granted the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the Company and the terms and conditions of the purchase of the Interests and to obtain any additional information that such Member deems necessary, (ii) such Member's knowledge and experience in financial and business matters is such that such Member is capable of evaluating the merits and risk of the investment in the Interests and (iii) such Member has carefully reviewed the terms and provisions of this Agreement and has evaluated the restrictions and obligations contained therein. In furtherance of the foregoing, each Member represents and warrants that (i) no representation or warranty, express or implied, whether written or oral, as to the financial condition, results of operations, prospects, properties or business of the Company or as to the desirability or value of an investment in the Company has been made to such Member by or on behalf of the Company, (ii) such Member has relied upon such Member's own independent appraisal and investigation, and the advice of such Member's own counsel, tax advisors and other advisors, regarding the risks of an investment in the Company and (iii) such Member will continue to bear sole responsibility for making its own independent evaluation and monitoring of the risks of its investment in the Company.

(e) Accredited Investor. Each Member represents and warrants that such Member is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act and, in connection with the execution of this Agreement, agrees to deliver such certificates to that effect as the Board may request.

**Section 5.2 Additional Representations and Warranties of Non-Investor Members.** Each Non-Investor Member represents and warrants that (i) such Non-Investor Member has duly executed and delivered this Agreement, (ii) all actions required to be taken by or on behalf of the Non-Investor Member to authorize it to execute, deliver and perform its obligations under this Agreement have been taken and this Agreement constitutes such Non-Investor Member's legal, valid and binding obligation, enforceable against such Non-Investor Member in accordance with the terms hereof, (iii) the execution and delivery of this Agreement and the consummation by the Non-Investor Member of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to the Non-Investor Member or by which the Non-Investor Member or any material portion of its properties is bound, (iv) no consent, approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by such Non-Investor Member in connection with the execution and delivery of this Agreement or the performance of such Non-Investor Member's obligations hereunder, (v) if such Non-Investor Member is an individual, such Non-Investor Member is a resident of the state set forth opposite such Non-Investor Member's name on Schedule A and (vi) if such Non-Investor Member is not an individual, such Non-Investor Member's principal place of business and mailing address is in the state set forth opposite such Non-Investor Member's name on Schedule A.



**Section 5.3 Additional Representations and Warranties of Investor Members.**

(a) Due Organization; Power and Authority, etc. Kelso Investment Associates VII, L.P. represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. KEP VI, LLC represents and warrants that it is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware. Each Investor Member further represents and warrants that it has all necessary power and authority to enter into this Agreement to carry out the transactions contemplated herein.

(b) Authorization; Enforceability. All actions required to be taken by or on behalf of such Investor Member to authorize it to execute, deliver and perform its obligations under this Agreement have been taken, and this Agreement constitutes the legal, valid and binding obligation of such Investor Member, enforceable against such Investor Member in accordance with its terms, except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

(c) Compliance with Laws and Other Instruments. The execution and delivery of this Agreement and the consummation by such Investor Member of the transactions contemplated hereby and thereby in the manner contemplated hereby and thereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to such Investor Member or by which such Investor Member or any material portion of its properties is bound, except for conflicts, breaches and defaults that, individually or in the aggregate, will not have a material adverse effect upon the financial condition, business or operations of such Investor Member or upon such Investor Member's ability to enter into and carry out its obligations under this Agreement.

(d) Executing Parties. The person executing this Agreement on behalf of each Investor Member has full power and authority to bind such Investor Member to the terms hereof and thereof.

**Section 5.4 Additional Covenants of Management Members.** Each Management Member hereby agrees that, upon the receipt of any Override Unit, it shall make an election pursuant to section 83(b) of the Code.

**ARTICLE VI**

**CAPITAL ACCOUNTS; CAPITAL CONTRIBUTIONS**

**Section 6.1 Capital Accounts.** A separate capital account (a "Capital Account") shall be established and maintained for each Member. The current balance in each Member's Capital Account is as set forth on Schedule A.

**Section 6.2 Adjustments.**

(a) Any contributions of property after the date hereof shall be valued at their Fair Market Value.

(b) As of the end of each Accounting Period, the balance in each Member's Capital Account shall be adjusted by (i) increasing such balance by (A) such Member's allocable share of Net Income (allocated in accordance with Section 8.1), (B) the items of gross income allocated to such Member pursuant to Section 8.2 and (C) the amount of cash and the Fair Market Value of any property (as of the date of the contribution thereof and net of any liabilities encumbering such property) contributed to the Company by such Member during such Accounting Period, if any, and (ii) decreasing such balance by (A) the amount of cash and the Fair Market Value of any property (as of the date of the distribution thereof and net of any liabilities encumbering such property) distributed to such Member during such Accounting Period, (B) such Member's allocable share of Net Loss (allocated in accordance with Section 8.1) and (C) the items of gross deduction allocated to such Member pursuant to Section 8.2. The provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations section 1.704-1(b) and section 1.704-2 and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

**Section 6.3 Additional Capital Contributions.** No Member shall be required to make any additional capital contribution to the Company in respect of the Interests then owned by such Member. A Member may make further capital contributions to the Company, but only with the written consent of the Board acting by majority vote. The provisions of this Section 6.3 are intended solely to benefit the Members and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third party beneficiary of this Agreement), and no Member shall have any duty or obligation to any creditor of the Company to make any additional capital contributions or to cause the Board to consent to the making of additional capital contributions.

**Section 6.4 Negative Capital Accounts.** Except as otherwise required by this Agreement, no Member shall be required to make up a negative balance in its Capital Account.

**ARTICLE VII**

**ADDITIONAL TERMS APPLICABLE TO OVERRIDE UNITS**

**Section 7.1 Certain Terms.**

(a) **Forfeiture of Operating Units.** A Management Member's Operating Units shall be subject to forfeiture in accordance with the schedule in Section 7.2 hereof if he or she becomes an Inactive Management Member before the fifth anniversary of the issuance date of the Operating Units.

(b) **Valuation of the Value Units; Forfeiture of Operating Units.** Value Units will not participate in distributions under Article IX until from and after any point in time when the Current Value is at least two times the Initial Price. All Value Units will participate in distributions from and after any point in time when the Current Value is at least four times the

Initial Price, and if at any time the Current Value is greater than two times but less than four times the Initial Price the number of a Management Member's Value Units that will participate in distributions at such time shall be that portion of such Management Member's Value Units that bears the same ratio as a fraction the numerator of which is the Current Value minus the product of (w) two and (x) the Initial Price, and the denominator of which is the product of (y) two and (z) the Initial Price. This Section 7.1(b) shall be applied to a Value Unit only after such Value Unit is no longer subject to Section 9.1(c). Any amount that is not distributed to the holder of any Value Unit as a result of this Section 7.1(b) shall be distributed pursuant to Section 9.1(b).

In the event that any portion of the Value Units does not become eligible to participate in distributions pursuant to this Section 7.1(b) upon the occurrence of an Exit Event, such portion of such Value Units shall automatically be forfeited.

(c) Certain Adjustments. On the tenth anniversary of the issuance of any Override Unit, each such Override Unit (unless previously forfeited pursuant to this Agreement) shall (i) in the case of any Operating Unit, automatically convert into one Value Unit and (ii) in the case of any Value Unit (including any Value Units issued pursuant to clause (i) of this sentence and treating such Value Units as issued on the original date of issuance of the Operating Unit giving rise to the conversion), be subject to Section 7.1(b) modified by substituting "10 times" for "two times" in each place where "two times" appears and substituting "12 times" for "four times" in each place where "four times" appears.

(d) Calculations. All calculations required or contemplated by Section 7.1(b) or Section 7.1(c) shall be made in the sole determination of the Board and shall be final and binding on the Company and each Management Member.

(e) Benchmark Amount. The Board shall determine the Benchmark Amount with respect to each Override Unit at the time such Override Unit is issued to a Management Member, which shall be reflected on Schedule A. The Benchmark Amount of each issued Override Unit shall be reflected on Schedule A, which (together with the provisions of Sections 9.1(b) and (c)) are intended to result in such Override Unit being treated as a profits interest for U.S. federal income tax purposes as of the date such Override Unit is issued.

#### **Section 7.2 Effects of Termination of Employment on Override Units.**

##### **(a) Forfeiture of Override Units upon Termination.**

(i) Termination for Cause. Unless otherwise determined by the Board in a manner more favorable to such Management Member, in the event that a Management Member ceases to provide services to the Company or one of its Subsidiaries in connection with any termination for Cause, all of the Override Units issued to such Inactive Management Member shall be forfeited.

(ii) Other Termination. Unless otherwise determined by the Override Unit Committee in a manner more favorable to such Management Member, in the event that a Management Member ceases to provide services to the Company or one of its

Subsidiaries in connection with the termination of employment of such Member for any reason other than a termination for Cause, then, in the event that (x) an Exit Event has not yet occurred, and (y) no definitive agreement shall be in effect regarding a transaction, which, if consummated, would result in an Exit Event, then all of the Value Units (other than any Value Units that are exempt from forfeiture pursuant to this Section 7.2.(a)(ii) by virtue of the application of Section 7.2(a)(iii)) issued to such Inactive Management Member shall be forfeited and a percentage of the Operating Units issued to such Inactive Management Member shall be forfeited according to the following schedule (it being understood that in the event that such forfeiture does not occur as a result of the operation of clause (y) but the definitive agreement referred to in such clause (y) subsequently terminates without consummation of an Exit Event, then the forfeiture of all of the Value Units (other than any Value Units that are exempt from forfeiture pursuant to this Section 7.2.(a)(ii) by virtue of the application of Section 7.2(a)(iii)) and of the applicable percentage of Operating Units referred to herein shall thereupon occur):

If the termination occurs	Percentage of such Inactive Management Member's Operating Units to be Forfeited
Before the second anniversary of the grant of such Inactive Management Member's Operating Units	100%
On or after the second anniversary, but before the third anniversary, of the grant of such Inactive Management Member's Operating Units	75%
On or after the third anniversary, but before the fourth anniversary, of the grant of such Inactive Management Member's Operating Units	50%
On or after the fourth anniversary, but before the fifth anniversary, of the grant of such Inactive Management Member's Operating Units	25%
On or after the fifth anniversary of the grant of such Inactive Management Member's Operating Units	0%

(iii) Treatment of Value Units upon Death and Disability of a Management Member. In the event that a Management Member ceases to provide services to the Company or one of its Subsidiaries due to such Member's death or Disability, a percentage (determined in accordance with the following schedule) of the Value Units issued to such Inactive Management Member shall not be subject to forfeiture pursuant to Section 7.2(a)(ii):

If death or Disability occurs

Before the second anniversary of the grant of such Inactive Management Member's Value Units	0%
On or after the second anniversary, but before the third anniversary, of the grant of such Inactive Management Member's Value Units	25%
On or after the third anniversary, but before the fourth anniversary, of the grant of such Inactive Management Member's Value Units	50%
On or after the fourth anniversary, but before the fifth anniversary, of the grant of such Inactive Management Member's Value Units	75%
On or after the fifth anniversary of the grant of such Inactive Management Member's Value Units	100%

(b) Inactive Management Members. If a Management Member ceases to provide services to or for the benefit of the Company or one of its Subsidiaries in connection with the termination of employment of such Member for any reason, the Common Units held by such Member shall cease to have voting rights and such Member shall be thereafter referred to herein as a "**Inactive Management Member**" with only the rights of an Inactive Management Member specified herein. Notwithstanding the foregoing, such Inactive Management Member shall continue to be treated as a Member (including, for the avoidance of doubt, for purposes of Article IX hereof).

(c) Effect of Forfeiture. Any Override Unit, which is forfeited, shall be cancelled for no consideration.

**ARTICLE VIII  
ALLOCATIONS**

**Section 8.1 Book Allocations of Net Income and Net Loss.**

(a) Except as provided in Section 8.2, Net Income and Net Loss of the Company shall be allocated among the Members' Capital Accounts as of the end of each Accounting Period or

portion thereof in a manner that as closely as possible gives effect to the economic provisions of this Agreement.

(b) Except as otherwise provided in Section 8.2, all items of gross income, gain, loss and deduction included in the computation of Net Income and Net Loss shall be allocated in the same proportion as are Net Income and Net Loss.

**Section 8.2 Special Book Allocations.**

(a) Qualified Income Offset. If any Member unexpectedly receives any adjustment, allocation or distribution described in Treasury Regulations section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) and such adjustment, allocation or distribution causes or increases a deficit in such Member's Capital Account in excess of its obligation to make additional Capital Contributions (a "**Deficit**"), items of gross income and gain for such Accounting Period and each subsequent Accounting Period shall be specifically allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit of such Member as quickly as possible; provided that an allocation pursuant to this Section 8.2(a) shall be made only if and to the extent that such Member would have a Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.2(a) were not in this Agreement. This Section 8.2(a) is intended to comply with the qualified income offset provision of Treasury Regulations section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(b) Notwithstanding anything to the contrary in this Agreement, items of gross income, gain, loss or deduction shall be specifically allocated to particular Members to the extent necessary to comply with applicable law (including the requirement to make "forfeiture allocations" within the meaning of Prop. Treas. Reg. Section 1.704-1(b)(4)(xii)).

(c) Restorative Allocations. Any special allocations of items of income or gain pursuant to this Section 8.2 shall be taken into account in computing subsequent allocations pursuant to this Agreement so that the net amount for any item so allocated and all other items allocated to each Member pursuant to this Agreement shall be equal, to the extent possible, to the net amount that would have been allocated to each Member pursuant to the provisions of this Agreement if such special allocations had not occurred.

**Section 8.3 Tax Allocations.** The income, gains, losses, credits and deductions recognized by the Company shall be allocated among the Members, for U.S. federal, state and local income tax purposes, to the extent permitted under the Code and the Treasury Regulations, in the same manner that each such item is allocated to the Members' Capital Accounts. Notwithstanding the foregoing, the Board shall have the power to make such allocations for U.S. federal, state and local income tax purposes so long as such allocations have substantial economic effect, or are otherwise in accordance with the Members' Interests, in each case within the meaning of the Code and the Treasury Regulations. Notwithstanding the previous sentence, in allocating income, gain, loss, credits, and deductions among the Members for U.S. federal, state, and local income tax purposes, the Board has discretion to: (1) disregard Section 7.1(c); and (2) compute Current Value by assuming that the price per Common Unit will equal the quotient obtained by dividing: (x) the aggregate capital accounts of all Members, by (y) the

number of Common Units outstanding, including all Override Units issued and outstanding at the end of the taxable year, whether vested or unvested, other than Override Units (including without limitation, Value Units issued hereunder) that, by their terms would be forfeited in conjunction with the occurrence of an Exit Event if they did not become eligible to participate in distributions pursuant to Section 7.1(b) upon the occurrence of the Exit Event. In accordance with section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for U.S. federal income tax purposes and its Book Value.

**ARTICLE IX**  
**DISTRIBUTIONS**

**Section 9.1 Distributions Generally.**

- (a) The Company may make distributions to the Members to the extent that the cash available to the Company is in excess of the reasonably anticipated needs of the business (including reserves). In determining the amount distributable to each Member, the provisions of this Section 9.1 shall be applied in an iterative manner.
- (b) Subject to Section 9.1(c) and (d), any such distributions shall be made to the Members in proportion to the number of Units held by each Member as of the time of such distribution.
- (c) The amount of any proposed distribution to a holder of any Override Unit pursuant to Section 9.1(b) in respect of such Override Unit shall be reduced until the total reductions in proposed distributions pursuant to this Section 9.1(c) in respect of such Override Unit equals the Benchmark Amount in respect of such Override Unit. Any amount that is not distributed to the holder of any Override Unit pursuant to this Section 9.1(c) shall be distributed pursuant to Section 9.1(b) and shall remain subject to this Section 9.1(c).
- (d) In the event that pursuant to Section 7.1(b) a Value Unit was not previously entitled to participate in an actual distribution made by the Company under Section 9.1(b) but under the terms of Section 7.1(b) such Value Unit is currently entitled to participate in distributions, then Section 9.1(b) notwithstanding, any distributions by the Company shall be made 100% to the holder of such Value Unit in respect of such Value Unit until the total distributions made pursuant to this Section 9.1(d) in respect of such Value Unit equal the total distributions that would have been made in respect of such Value Unit if such Value Unit (and any other Value Units currently entitled to participate in distributions) had at all times been entitled to participate in distributions to the extent set forth in Section 7.1(b). In the event that this Section 9.1(d) applies to two or more Value Units at the same time, the distributions contemplated by this Section 9.1(d) shall be made in respect of each such Value Unit in proportion to the amounts distributable under this Section 9.1(d) in respect of each such Value Unit. For the avoidance of doubt, this Section 9.1(d) shall not apply to any Value Unit that is forfeited. The Board shall have the power in its sole discretion to make adjustments to the operation of this Section 9.1(d) if

the Board determines in its sole discretion that such adjustments will further the intent of this Section 9.1(d).

**Section 9.2 Distributions In Kind.** In the event of a distribution of Company property, such property shall for all purposes of this Agreement be deemed to have been sold at its Fair Market Value and the proceeds of such sale shall be deemed to have been distributed to the Members.

**Section 9.3 No Withdrawal of Capital.** Except as otherwise expressly provided in Article XIII, no Member shall have the right to withdraw capital from the Company or to receive any distribution or return of such Member's Capital Contributions.

**Section 9.4 Withholding.**

(a) Each Member shall, to the fullest extent permitted by applicable law, indemnify and hold harmless each Person who is or who is deemed to be the responsible withholding agent for U.S. federal, state or local income tax purposes against all claims, liabilities and expenses of whatever nature (other than any claims, liabilities and expenses in the nature of penalties and accrued interest thereon that result from such Person's fraud, willful misfeasance, bad faith or gross negligence) relating to such Person's obligation to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or as a result of such Member's participation in the Company.

(b) Notwithstanding any other provision of this Article IX, (i) each Member hereby authorizes the Company to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or any of its Affiliates with respect to such Member or as a result of such Member's participation in the Company and (ii) if and to the extent that the Company shall be required to withhold or pay any such taxes (including any amounts withheld from amounts payable to the Company to the extent attributable, in the judgment of the Members, to such Member's Interest), such Member shall be deemed for all purposes of this Agreement to have received a payment from the Company as of the time such withholding or tax is required to be paid, which payment shall be deemed to be a distribution with respect to such Member's Interest to the extent that the Member (or any successor to such Member's Interest) is then entitled to receive a distribution. To the extent that the aggregate of such payments to a Member for any period exceeds the distributions to which such Member is entitled for such period, such Member shall make a prompt payment to the Company of such amount. It is the intention of the Members that no amounts will be includible as compensation income to any Management Member, or will give rise to any withholding taxes imposed on compensation income, for United States federal income tax purposes as a result of the receipt, vesting or disposition of, or lapse of any restriction with respect to, any Override Units granted to such Member.

(c) If the Company makes a distribution in kind and such distribution is subject to withholding or other taxes payable by the Company on behalf of any Member, such Member shall make a prompt payment to the Company of the amount of such withholding or other taxes by wire transfer.



**Section 9.5 Restricted Distributions.** Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Interest if such distribution would violate Section 18-607 of the Delaware Act or other applicable law.

**Section 9.6 Tax Distributions.** In the event that the Company sells an equity interest in a Subsidiary, resulting in taxable income being recognized by the Members, or the Members are otherwise allocated taxable income from the Company (in each case, other than upon an Exit Event), the Company may make distributions to the Members to the extent of available cash (as determined by the Board in its discretion) in an amount equal to such income multiplied by a reasonable tax rate determined by the Board; it being understood that, if the Members are allocated material taxable income without corresponding cash distributions sufficient to pay the resulting tax liabilities, it is the Company's intention to make the tax distributions referred to herein; provided that the Board in its sole discretion shall determine whether any such tax distributions will be made. Any distributions made to a Member pursuant to this Section 9.6 shall reduce the amount otherwise distributable to such Member pursuant to the other provisions of this Agreement, so that to the maximum extent possible, the total amount of distributions received by each Member pursuant to this Agreement at any time is the same as such Member would have received if no distribution had been made pursuant to this Section 9.6. To the extent the cumulative sum of tax distributions made to a Member under this Section 9.6 has not been applied pursuant to the preceding sentence to reduce other amounts distributable to such Member, such Member shall contribute to the Company the remaining amounts necessary to give full effect to the preceding sentence on the date of the final liquidating distribution made by the Company pursuant to Section 13.2.

## ARTICLE X

### BOOKS AND RECORDS

**Section 10.1 Books, Records and Financial Statements.** At all times during the continuance of the Company, the Company shall maintain, at its principal place of business, separate books of account for the Company that shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received and all U.S. income derived in connection with the operation of the Company's business in accordance with generally accepted accounting principles consistently applied, and, to the extent inconsistent therewith, in accordance with this Agreement. Such books of account, together with a copy of this Agreement and the Certificate, shall at all times be maintained at the principal place of business of the Company and shall be open to inspection and examination at reasonable times and upon reasonable notice by each Member and its duly authorized representative for any purpose reasonably related to such Member's Interest; provided that the Company may maintain the confidentiality of Schedule A.

**Section 10.2 Filings of Returns and Other Writings; Tax Matters Partner.**

(a) The Company shall timely file all Company tax returns and shall timely file all other writings required by any governmental authority having jurisdiction to require such filing. Within 90 days after the end of each taxable year (or as soon as reasonably practicable

thereafter), the Company shall send to each Person that was a Member at any time during such year copies of Schedule K-1, "Partner's Share of Income, Credits, Deductions, Etc.", or any successor schedule or form, with respect to such Person, together with such additional information as may be necessary for such Person to file his, her or its United States federal income tax returns.

(b) Kelso Investment Associates VII, L.P. shall be the tax matters partner of the Company, within the meaning of section 6231 of the Code (the "**Tax Matters Partner**") unless a Majority in Interest votes otherwise. Each Member hereby consents to such designation and agrees that upon the request of the Tax Matters Partner, such Member will execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent.

(c) Promptly following the written request of the Tax Matters Partner, the Company shall, to the fullest extent permitted by applicable law, reimburse and indemnify the Tax Matters Partner for all reasonable expenses, including reasonable legal and accounting fees, claims, liabilities, losses and damages incurred by the Tax Matters Partner in connection with any administrative or judicial proceeding with respect to the tax liability of the Members, except to the extent arising from the bad faith, gross negligence, willful violation of law, fraud or breach of this Agreement by such Tax Matters Partner.

(d) The provisions of this Section 10.2 shall survive the termination of the Company or the termination of any Member's Interest and shall remain binding on the Members for as long a period of time as is necessary to resolve with the Internal Revenue Service any and all matters regarding the U.S. federal income taxation of the Company or the Members.

**Section 10.3 Accounting Method.** For both financial and tax reporting purposes, the books and records of the Company shall be kept on the accrual method of accounting applied in a consistent manner and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

## ARTICLE XI

### LIABILITY, EXCULPATION AND INDEMNIFICATION

**Section 11.1 Liability.** Except as otherwise provided by the Delaware Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

**Section 11.2 Exculpation.** No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim

incurred by reason of such Covered Person's gross negligence, willful misconduct or willful breach of this Agreement.

**Section 11.3 Fiduciary Duty.** Any duties (including fiduciary duties) of a Covered Person to the Company or to any other Covered Person that would otherwise apply at law or in equity are hereby eliminated to the fullest extent permitted under the Delaware Act and any other applicable law; provided that (a) the foregoing shall not eliminate the obligation of each Covered Person to act in compliance with the express terms of this Agreement and (b) the foregoing shall not be deemed to eliminate the implied contractual covenant of good faith and fair dealing. Notwithstanding anything to the contrary contained in this Agreement, each of the Members hereby acknowledges and agrees that each of the Directors, in determining whether or not to vote in support of or against any particular decision for which the Board's consent is required, may act in and consider the best interest of the Member who designated such Director and shall not be required to act in or consider the best interests of the Company or the other Members or parties hereto.

**Section 11.4 Indemnification.** To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence, willful misconduct or willful breach of this Agreement with respect to such acts or omissions; provided, that any indemnity under this Section 11.4 shall be provided out of and to the extent of Company assets only, and no Covered Person shall have any personal liability on account thereof.

**Section 11.5 Expenses.** To the fullest extent permitted by applicable law, expenses (including, without limitation, reasonable attorneys' fees, disbursements, fines and amounts paid in settlement) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding relating to or arising out of their performance of their duties on behalf of the Company shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Covered Person is not entitled to be indemnified as authorized in this Section 11.5.

**Section 11.6 Severability.** To the fullest extent permitted by applicable law, if any portion of this Article shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify each Director or Officer and may indemnify each employee or agent of the Company as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Company, to the fullest extent permitted by any applicable portion of this Article that shall not have been invalidated.

**ARTICLE XII**  
**TRANSFERS OF INTERESTS**

**Section 12.1 Restrictions on Transfers of Interests by Members.** No Member may Transfer any Interests including, without limitation, to any other Member, or by gift, or by operation of law or otherwise; provided that, subject to Section 12.2(b) and Section 12.2(c), Interests may be Transferred by a Member (i) pursuant to Section 12.3 (“Estate Planning Transfers, Transfers Upon Death of a Management Member”), (ii) in accordance with Section 12.4 (“Involuntary Transfers”), or (iii) pursuant to the prior written approval of each of the Board and CA II, in each case, in its sole discretion. Notwithstanding the forgoing, Interests may be Transferred by an Investor Member to an Affiliate of such Transferring Investor Member without the approval of the Board or CA II.

**Section 12.2 Overriding Provisions.**

(a) Any Transfer in violation of this Article XII shall be null and void ab initio, and the provisions of Section 12.2(e) shall not apply to any such Transfers. The approval of any Transfer in any one or more instances shall not limit or waive the requirement for such approval in any other or future instance.

(b) All Transfers permitted under this Article XII are subject to this Section 12.2 and Sections 12.5 and 12.6.

(c) Any proposed Transfer by a Member pursuant to the terms of this Article XII shall, in addition to meeting all of the other requirements of this Agreement, satisfy the following conditions: (i) the Transfer will not be effected on or through an “established securities market” or a “secondary market or the substantial equivalent thereof,” as such terms are used in Treasury Regulations section 1.7704-1, and, at the request of the Board, the transferor and the transferee will have each provided the Company a certificate to such effect; and (ii) the proposed transfer will not result in the Company having more than 99 Members, within the meaning of Treasury Regulations section 1.7704-1(h)(1) (determined pursuant to the rules of Treasury Regulations section 1.7704-1(h)(3)). The Board may in its sole discretion waive the condition set forth in clause (ii) of this Section 12.2(c).

(d) The Company shall promptly amend Schedule A to reflect any permitted transfers of Interests pursuant to and in accordance with this Article XII.

(e) The Company shall, from the effective date of any permitted assignment of an Interest (or part thereof), thereafter pay all further distributions on account of such Interest (or part thereof) to the assignee of such Interest (or part thereof); provided that such assignee shall have no right or powers as a Member unless such assignee complies with Section 12.6.

**Section 12.3 Estate Planning Transfers; Transfers upon Death of a Management Member.** Interests held by Management Members may be transferred for estate-planning purposes of such Management Member, to (A) a trust under which the distribution of the Interests may be made only to beneficiaries who are such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal

descendants, (B) a charitable remainder trust, the income from which will be paid to such Management Member during his or her life, (C) a corporation, the shareholders of which are only such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants or (D) a partnership or limited liability company, the partners or members of which are only such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants. Interests may be transferred as a result of the laws of descent; provided that, in each such case, such Management Member provides prior written notice to the Board of such proposed Transfer and makes available to the Board documentation, as the Board may reasonably request, in order to verify such Transfer.

**Section 12.4 Involuntary Transfers.** Any transfer of title or beneficial ownership of Interests upon default, foreclosure, forfeit, divorce, court order or otherwise than by a voluntary decision on the part of a Management Member or Outside Member (each, an "**Involuntary Transfer**") shall be void unless such Management Member or Outside Member complies with this Section 12.4 and enables the Company to exercise in full its rights hereunder. Upon any Involuntary Transfer, the Company shall have the right to purchase such Interests pursuant to this Section 12.4 and the Person to whom such Interests have been Transferred (the "**Involuntary Transferee**") shall have the obligation to sell such Interests in accordance with this Section 12.4. Upon the Involuntary Transfer of any Interest, such Management Member or Outside Member shall promptly (but in no event later than two days after such Involuntary Transfer) furnish written notice to the Company indicating that the Involuntary Transfer has occurred, specifying the name of the Involuntary Transferee, giving a detailed description of the circumstances giving rise to, and stating the legal basis for, the Involuntary Transfer. Upon the receipt of the notice described in the preceding sentence, and for 60 days thereafter, the Company shall have the right to purchase, and the Involuntary Transferee shall have the obligation to sell, all (but not less than all) of the Interests acquired by the Involuntary Transferee for a purchase price equal to the lesser of (i) the Fair Market Value of such Interest and (ii) the amount of the indebtedness or other liability that gave rise to the Involuntary Transfer plus the excess, if any, of the Carrying Value of such Interests over the amount of such indebtedness or other liability that gave rise to the Involuntary Transfer. Notwithstanding anything to the contrary, any Involuntary Transfer of Override Units shall result in the immediate forfeiture of such Override Units and without any compensation therefor, and such Involuntary Transferee shall have no rights with respect to such Override Units.

**Section 12.5 Assignments.**

(a) Assignment Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the Members hereto and their respective heirs, legal representatives, successors and assigns; provided that no Non-Investor Member may assign any of its rights or obligations hereunder without the consent of Kelso unless such assignment is in connection with a Transfer explicitly permitted by this Agreement and, prior to such assignment, such assignee complies with the requirements of Section 12.6.

**Section 12.6 Substitute Members.** In the event any Non-Investor Member or Investor Member Transfers its Interest in compliance with the other provisions of this Article XII (other than Section 12.4), the transferee thereof shall have the right to become a substitute Non-Investor

Member or substitute Investor Member, as the case may be, but only upon satisfaction of the following:

(a) execution of such instruments as the Board deems reasonably necessary or desirable to effect such substitution; and

(b) acceptance and agreement in writing by the transferee of the Member's Interest to be bound by all of the terms and provisions of this Agreement and assumption of all obligations under this Agreement (including breaches hereof) applicable to the transferor and in the case of a transferee of a Management Member who resides in a state with a community property system, such transferee causes his or her spouse, if any, to execute a Spousal Waiver in the form of Exhibit A attached hereto. Upon the execution of the instrument of assumption by such transferee and, if applicable, the Spousal Waiver by the spouse of such transferee, such transferee shall enjoy all of the rights and shall be subject to all of the restrictions and obligations of the transferor of such transferee.

**Section 12.7 Release of Liability.** In the event any Member shall sell such Member's entire Interest (other than in connection with an Exit Event) in compliance with the provisions of this Agreement, including, without limitation, pursuant to the penultimate sentence of Section 12.4, without retaining any interest therein, directly or indirectly, then the selling Member shall, to the fullest extent permitted by applicable law, be relieved of any further liability arising hereunder for events occurring from and after the date of such Transfer.

### ARTICLE XIII

#### DISSOLUTION, LIQUIDATION AND TERMINATION

**Section 13.1 Dissolving Events.** The Company shall be dissolved and its affairs wound up in the manner hereinafter provided upon the happening of any of the following events:

(a) the Board and the Members shall vote or agree in writing to dissolve the Company pursuant to the required votes set forth in Section 3.3(d) and Section 4.3, respectively; or

(b) any event which, under applicable law, would cause the dissolution of the Company; provided that, unless required by applicable law, the Company shall not be wound up as a result of any such event and the business of the Company shall continue.

Notwithstanding the foregoing, the death, retirement, resignation, expulsion, bankruptcy or dissolution of any Member or the occurrence of any other event that terminates the continued membership of any Member in the Company under the Delaware Act shall not, in and of itself, cause the dissolution of the Company. In such event, the remaining Member(s) shall continue the business of the Company without dissolution.

**Section 13.2 Dissolution and Winding-Up.** Upon the dissolution of the Company, the assets of the Company shall be liquidated or distributed under the direction of, and to the extent determined by, the Board, and the business of the Company shall be wound up. Within a reasonable time after the effective date of dissolution of the Company, the Company's assets shall be distributed in the following manner and order:

First, to creditors in satisfaction of indebtedness (other than any loans or advances that may have been made by any of the Members to the Company), whether by payment or the making of reasonable provision for payment, and the expenses of liquidation, whether by payment or the making of reasonable provision for payment, including the establishment of reasonable reserves (which may be funded by a liquidating trust) determined by the Board or the liquidating trustee, as the case may be, to be reasonably necessary for the payment of the Company's expenses, liabilities and other obligations (whether fixed, conditional, unmatured or contingent);

Second, to the payment of loans or advances that may have been made by any of the Members to the Company; and

Third, to the Members in accordance with Section 9.1, taking into account any amounts previously distributed under Section 9.1;

provided that no payment or distribution in any of the foregoing categories shall be made until all payments in each prior category shall have been made in full, and provided, further, that, if the payments due to be made in any of the foregoing categories exceed the remaining assets available for such purpose, such payments shall be made to the Persons entitled to receive the same pro rata in accordance with the respective amounts due to them.

**Section 13.3 Distributions in Cash or in Kind.** Upon the dissolution of the Company, the Board shall use all commercially reasonable efforts to liquidate all of the Company's assets in an orderly manner and apply the proceeds of such liquidation as set forth in Section 13.2; provided that, if in the good faith judgment of the Board, a Company asset should not be liquidated, the Board shall cause the Company to allocate, on the basis of the Fair Market Value of any Company assets not sold or otherwise disposed of, any unrealized gain or loss based on such value to the Members' Capital Accounts as though the assets in question had been sold on the date of distribution and, after giving effect to any such adjustment, distribute such assets in accordance with Section 13.2 as if such Fair Market Value had been received in cash, subject to the priorities set forth in Section 13.2, and provided, further, that the Board shall in good faith attempt to liquidate sufficient Company assets to satisfy in cash (or make reasonable provision for) the debts and liabilities referred to in Section 13.2.

**Section 13.4 Termination.** The Company shall terminate when the winding up of the Company's affairs has been completed, all of the assets of the Company have been distributed and the Certificate has been canceled, all in accordance with the Delaware Act.

**Section 13.5 Claims of the Members.** The Members and former Members shall look solely to the Company's assets for the return of their Capital Contributions, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities and obligations of the Company are insufficient to return such Capital Contributions, the Members and former Members shall have no recourse against the Company or any other Member.

**ARTICLE XIV**  
**MISCELLANEOUS**

**Section 14.1 Notices.** All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(a) If to the Company:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: John J. Lipinski  
Facsimile No.: 913-981-0000

with copies (which shall not constitute notice) to:

Kelso & Company, L.P.  
320 Park Avenue, 24th Floor  
New York, New York 10022  
Attention: James J. Connors II  
Facsimile No.: 212-223-2379

and

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000

and

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

(b) If to a Member, at the address set forth opposite such Member's name on Schedule A attached hereto, or at such other address as such Member may hereafter designate by written notice to the Company.



All such notices, requests, demands, waivers and other communications shall be deemed to have been received by (w) if by personal delivery, on the day delivered, (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

**Section 14.2 Securities Act Matters.** Each Member understands that, in addition to the restrictions on transfer contained in this Agreement, he or she must bear the economic risks of his or her investment for an indefinite period because the Interests have not been registered under the Securities Act.

**Section 14.3 Headings.** The headings to sections in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

**Section 14.4 Entire Agreement.** This Agreement constitutes the entire agreement among the Members with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to the matters referred to herein. There are no representations, warranties, promises, inducements, covenants or undertakings relating to the Units, other than those expressly set forth or referred to herein.

**Section 14.5 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

**Section 14.6 Governing Law; Attorneys' Fees.** This Agreement and the rights and obligations of the Members hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof. The substantially prevailing party in any action or proceeding relating to this Agreement shall be entitled to receive an award of, and to recover from the other party or parties, any fees or expenses incurred by him, her or it (including, without limitation, reasonable attorneys' fees and disbursements) in connection with any such action or proceeding.

**Section 14.7 Waivers.** Except as may otherwise be provided by applicable law in connection with the winding-up, liquidation and dissolution of the Company, each Member hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Company's property.

Waiver by any Member hereto of any breach or default by any other Member of any of the terms of this Agreement shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the Members hereto or from any failure by any Member to assert its or his or her rights hereunder on any occasion or series of occasions.

EACH MEMBER HEREBY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR THE BREACH, TERMINATION OR

VALIDITY OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**Section 14.8 Invalidity of Provision.** The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

**Section 14.9 Further Actions.** Each Member shall execute and deliver such other certificates, agreements and documents, and take such other actions, as may reasonably be requested by the Company in connection with the continuation of the Company and the achievement of its purposes, including, without limitation, (a) any documents that the Company deems necessary or appropriate to continue the Company as a limited liability company in all jurisdictions in which the Company or its Subsidiaries conduct or plan to conduct business and (b) all such agreements, certificates, tax statements and other documents as may be required to be filed in respect of the Company.

**Section 14.10 Amendments.**

(a) Subject to the amendment provisions of Section 12.10(a), this Agreement may not be amended, modified or supplemented except by a written instrument signed by each of the Investor Members; provided, however, that the Board may make such modifications to this Agreement, including Schedule A, as are necessary to admit Additional Members who are admitted in accordance with Sections 3.2, 3.6, 6.2 and 12.2. Notwithstanding the foregoing, no amendment, modification or supplement shall adversely affect the Management Members as a class without the consent of a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by a proposed amendment, modification or supplement, by such Management Member; provided, further, that, in either case, no such consent shall be required for (i) any amendments, modifications or supplements to Article IV or (ii) for the issuance of additional Units pursuant to Section 3.2. The Company shall notify all Members after any such amendment, modification or supplement, other than any amendments to Schedule A, as permitted herein, has taken effect.

(b) Notwithstanding 14.10(a), each Member shall, and shall cause each of its Affiliates and transferees to, take any action requested by the Kelso Member that is designed to comply with the finalization of proposed Treasury Regulations relating to the issuance of partnership equity for services and any other Treasury Regulation, Revenue Procedure, or other guidance issued with respect thereto. Without limiting the foregoing, such action may include authorizing the Company to make any election, agreeing to any condition imposed on such Member, its Affiliates or its transferee, executing any amendment to this Agreement or other agreements, executing any new agreement, and agreeing not to take any contrary position on any tax return or other filing.

**Section 14.11 No Third Party Beneficiaries.** Except as otherwise provided herein, this Agreement is not intended to confer upon any Person, except for the parties hereto, any rights or

remedies hereunder; provided, however, that CA II is an express third party beneficiary of Sections 3.2, 3.6, 12.1 and 12.2(a), with a direct right of enforcement.

**Section 14.12 Injunctive Relief.** The Units cannot readily be purchased or sold in the open market, and for that reason, among others, the Company and the Members will be irreparably damaged in the event this Agreement is not specifically enforced. Each of the Members therefore agrees that, in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which the Company or any Member may have. Each Member hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts in New York for the purposes of any suit, action or other proceeding arising out of, or based upon, this Agreement or the subject matter hereof. Each Member hereby consents to service of process made in accordance with Section 14.1.

**Section 14.13 Power of Attorney.** Each Member hereby constitutes and appoints Kelso as his or her true and lawful joint representative and attorney-in-fact in his or her name, place and stead to make, execute, acknowledge, record and file the following:

(a) any amendment to the Certificate which may be required by the laws of the State of Delaware because of:

- (i) any duly made amendment to this Agreement; or
- (ii) any change in the information contained in such Certificate, or any amendment thereto;

(b) any other certificate or instrument which may be required to be filed by the Company under the laws of the State of Delaware or under the applicable laws of any other jurisdiction in which counsel to the Company determines that it is advisable to file;

(c) any certificate or other instrument which Kelso or the Board deems necessary or desirable to effect a termination and dissolution of the Company which is authorized under this Agreement;

(d) any amendments to this Agreement, duly adopted in accordance with the terms of this Agreement; and

(e) any other instruments that Kelso or the Board may deem necessary or desirable to carry out fully the provisions of this Agreement; provided, however, that any action taken pursuant to this power shall not, in any way, increase the liability of the Members beyond the liability expressly set forth in this Agreement, and provided, further, that, where action by a majority of the Board is required, such action shall have been taken.

Such attorney-in-fact is not by the provisions of this Section 14.13 granted any authority on behalf of the undersigned to amend this Agreement, except as provided for in this Agreement.

Such power of attorney is coupled with an interest and shall continue in full force and effect notwithstanding the subsequent death or incapacity of the Member granting such power of attorney.

**ARTICLE XV**  
**DEFINED TERMS**

**Section 15.1 Definitions.**

“Accounting Period” means, for the first Accounting Period, the period commencing on the date hereof and ending on the next Adjustment Date. All succeeding Accounting Periods shall commence on the day after an Adjustment Date and end on the next Adjustment Date.

“Additional Member” has the meaning given in Section 3.6(a).

“Adjustment Date” means the last day of each fiscal year of the Company or any other date determined by the Board, in its sole discretion, as appropriate for an interim closing of the Company’s books.

“Affiliate” means, with respect to a specified Person, any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the specified Person. As used in this definition, the term “control” 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 ownership of voting securities, by contract or otherwise.

“Agreement” means this Third Amended and Restated Limited Liability Company Agreement of the Company, as this agreement may be amended, modified, supplemented or restated from time to time after the date hereof.

“Amended and Restated LLC Agreement” has the meaning given in the recitals to this Agreement.

“Benchmark Amount” means the amount set with respect to an Override Unit pursuant to Section 7.1(e).

“Board” has the meaning given in Section 4.1(a).

“Book Value” means with respect to any asset, the asset’s adjusted basis for U.S. federal income tax purposes, except as follows: (i) the Book Value of any asset contributed or deemed contributed by a Member to the Company shall be the gross fair market value of such asset at the time of contribution as reasonably determined by the Board; (ii) the Book Value of any asset distributed or deemed distributed by the Company to any Member shall be adjusted immediately prior to such distribution to equal its gross fair market value at such time as reasonably determined by the Board; (iii) the Book Values of all Company assets may be adjusted in the discretion of the Board to equal their respective gross fair market values, as reasonably determined by the Board as of (1) the date of the acquisition of an additional interest in the Company by any new or existing Member in exchange for a contribution to the capital of the

Company; or (2) upon the liquidation of the Company (including upon interim liquidating distributions), or the distribution by the Company to a retiring or continuing Member of money or other Company property in reduction of such Member's interest in the Company; (iv) any adjustments to the adjusted basis of any asset of the Company pursuant to Sections 734 or 743 of the Code shall be taken into account in determining such asset's Book Value in a manner consistent with Treasury Regulation Section 1.704-1(b)(2)(iv)(m); and (v) if the Book Value of an asset has been determined pursuant to clause (i) or adjusted pursuant to clauses (iii) or (iv) above, to the extent and in the manner permitted in the Treasury Regulations, adjustments to such Book Value for depreciation and amortization with respect to such asset shall be calculated by reference to Book Value, instead of tax basis.

“Capital Account” has the meaning given in Section 6.1.

“Capital Contribution” means, for any Member, the total amount of cash and the Fair Market Value of any property contributed to the Company by such Member.

“Carrying Value” means, with respect to any Interest purchased by the Company, the value equal to the Capital Contribution, if any, made by the selling Management Member in respect of any such Interest less the amount of distributions made in respect of such Interest.

“Certificate” means the Certificate of Formation of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the office of the Secretary of State of the State of Delaware pursuant to the Delaware Act.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Units” means a class of Interests in the Company, as described in Section 3.2(a). For the avoidance of doubt, Common Units shall not include Override Units.

“Company” has the meaning given in the introductory paragraph to this Agreement.

“Covered Person” means a current or former Member or Director, an Affiliate of a current or former Member or Director, any officer, director, shareholder, partner, member, employee, advisor, representative or agent of a current or former Member or Director or any of their respective Affiliates, or any current or former officer, employee or agent of the Company or any of its Affiliates.

“Current Value” means, as of any given time, the sum of (A) the aggregate amount of distributions pursuant to Section 9.1 received by the Investor Members prior to such time (including, for the avoidance of doubt, any portion of any distribution with respect to which Current Value is being determined) in respect of Common Units plus (B) if such distribution is to be made in connection with an Exit Event the product of (i) the aggregate amount per Common Unit of distributions pursuant to Section 9.1 to be received by the Investor Members upon such Exit Event, which shall be determined assuming that all Override Units issued and outstanding at the date of the Exit Event (but excluding, any Override Units (including, without limitation, Value Units issued hereunder), which, by their terms, would be forfeited in conjunction with the occurrence of such Exit Event if they did not become eligible to participate in distributions pursuant to Section 7.1(b) upon the occurrence of the Exit Event) are treated as if they were

Common Units immediately prior to the Exit Event and (ii) the Investor Member Units outstanding as of the occurrence of such Exit Event.

“Deficit” has the meaning given in Section 8.2(a).

“Delaware Act” means the Delaware Limited Liability Company Act, 6 Del. C. §18-101, et seq., as amended from time to time.

“Director” has the meaning given in Section 4.1(a).

“Disability,” means, with respect to a Management Member, the termination of the employment of any Management Member by the Company or any Subsidiary of the Company that employs such individual (or by the Company on behalf of any such Subsidiary) as a result of such Management Member’s incapacity due to reasonably documented physical or mental illness that shall have prevented such Management Member from performing his or her duties for the Company on a full-time basis for more than six months and within 30 days after written notice has been given to such Management Member, such Management Member shall not have returned to the full time performance of his or her duties, in which case the date of termination shall be deemed to be the last day of the aforementioned 30-day period; provided that, in the case of any Management Member who, as of the date of determination, is party to an effective services, severance or employment agreement with the Company, “Disability” shall have the meaning, if any, specified in such agreement.

“Exit Event” means a transaction or a combination or series of transactions (other than an Initial Public Offering) resulting in:

- (a) the sale, transfer or other disposition by the Investor Members to one or more Persons that are not, immediately prior to such sale, Affiliates of the Company or any Investor Member of all of the Interests of the Company beneficially owned by the Investor Members as of the date of such transaction; or
- (b) the sale, transfer or other disposition of all of the assets of the Company and its Subsidiaries, taken as a whole, to one or more Persons that are not, immediately prior to such sale, transfer or other disposition, Affiliates of the Company or any Investor Member.

“Fair Market Value” means, as of any date,

- (a) for purposes of determining the value of any property owned by, contributed to or distributed by the Company, (i) in the case of publicly-traded securities, the average of their last sales prices on the applicable trading exchange or quotation system on each trading day during the five trading-day period ending on such date and (ii) in the case of any other property, the fair market value of such property, as determined in good faith by the Board; or
- (b) for purposes of determining the value of any Member’s Interest in connection with Section 12.4 (“Involuntary Transfers”), (i) the fair market value of such Interest as reflected in the most recent appraisal report prepared, at the request of

the Board, by an independent valuation consultant or appraiser of recognized national standing, reasonably satisfactory to the Board, or (ii) in the event no such appraisal exists or the date of such report is more than one year prior to the date of determination, the fair market value of such Interest as determined in good faith by the Board.

“Inactive Management Member” has the meaning given in Section 7.2(b).

“Initial Price” means the product of (i) the Investor Members’ average cost per each Investor Member Unit times (ii) the total number of Investor Member Units.

“Initial Public Offering” or “IPO” means the first underwritten public offering of the common stock of a successor corporation to the Company or a Subsidiary of the Company to the general public through a registration statement filed with the Securities and Exchange Commission that covers (together with prior effective registrations) (i) not less than 25% of the then outstanding shares of common stock of such successor corporation or such Subsidiary of the Company on a fully diluted basis or (ii) shares of such successor corporation or such Subsidiary of the Company that will be traded on any of the New York Stock Exchange, the American Stock Exchange or the National Association of Securities Dealers Automated Quotation System after the close of any such general public offering.

“Interest” means a limited liability interest in the Company, which represents the interest of each Member in and to the profits and losses of the Company and such Member’s right to receive distributions of the Company’s assets, as set forth in this Agreement.

“Investor Member Units” means the aggregate member of Units held by the Investor Members at the time of measurement.

“Investor Members” has the meaning given in the introductory paragraph to this Agreement.

“Involuntary Transfer” has the meaning given in Section 12.4.

“Involuntary Transferee” has the meaning given in Section 12.4.

“Kelso” means Kelso Investment Associates VII, L.P., a Delaware limited partnership, together with KEP VI, LLC, a Delaware limited liability company.

“Kelso Director” means a Director appointed or designated for election solely by Kelso.

“Kelso Member” has the meaning given in the introductory paragraph to this Agreement.

“Magnetite” means Magnetite Asset Investors III L.L.C., an Outside Member.

“Majority in Interest” means, as of any given record date or other applicable time, the holders of a majority of the outstanding Units held by Members as of such date that are entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members.

“Management Member” has the meaning given in the introductory paragraph to this Agreement. A Management Member shall be deemed not to be a “manager” within the meaning of the Delaware Act (except to the extent Section 4.1(b) applies).

“Member” has the meaning given in the introductory paragraph to this Agreement and includes (i) any Person admitted as an additional or substitute Member of the Company pursuant to this Agreement and (ii) for the avoidance of doubt, Inactive Management Members.

“Net Income” and “Net Loss” mean, respectively, for any period the taxable income and taxable loss of the Company for the period as determined for U.S. federal income tax purposes, provided that for the purpose of determining Net Income and Net Loss (and for purposes of determining items of gross income, loss, deduction and expense in applying Sections 8.1 and 8.2, but not for income tax purposes): (i) there shall be taken into account any items required to be separately stated under Section 703(a) of the Code, (ii) any income of the Company that is exempt from federal income taxation and not otherwise taken into account in computing Net Income and Net Loss shall be added to such taxable income or loss; (iii) if the Book Value of any asset differs from its adjusted tax basis for federal income tax purposes, any depreciation, amortization or gain or loss resulting from a disposition of such asset shall be calculated with reference to such Book Value; (iv) upon an adjustment to the Book Value of any asset, pursuant to the definition of Book Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (v) any expenditure of the Company described in Section 705(a)(2)(B) of the Code or treated as such an expenditure pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition, shall be subtracted from such taxable income or loss; (vi) to the extent an adjustment to the adjusted tax basis of any asset included in Company property pursuant to Section 734(b) of the Code is required pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for the purposes of computing Net Income and Net Loss; and (vii) items allocated pursuant to Section 8.2 shall not be taken into account in computing Net Income or Net Loss.

“Non-Investor Member” has the meaning given in the introductory paragraph to this Agreement.

“Officers” has the meaning given in Section 4.11.

“Operating Unit” means a sub-class of Override Units, as described in Section 3.2(b).

“Original LLC Agreement” has the meaning given in the recitals to this Agreement.

“Outside Member” has the meaning given in the introductory paragraph to this Agreement

“Override Units” means a class of Interest in the Company, as described in Section 3.2(b).



“Person” means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

“resignation for Good Reason” means a voluntary termination of a Management Member’s employment with the Company or any Subsidiary of the Company that employs such individual as a result of either of the following:

- (a) without the Management Member’s prior written consent, a reduction by the Company or any such Subsidiary of his or her current salary, other than any such reduction which is part of a general salary reduction or other concessionary arrangement affecting all employees or affecting the group of employees of which the Management Member is a member (after receipt by the Company of written notice from such Management Member and a 20-day cure period); or
- (b) the taking of any action by the Company or any such Subsidiary that would substantially diminish the aggregate value of the benefits provided him or her under the Company’s or such Subsidiary’s accident, disability, life insurance and any other employee benefit plans in which he or she was participating on the date of his or her execution of this Agreement, other than any such reduction which is (i) required by law, (ii) implemented in connection with a general concessionary arrangement affecting all employees or affecting the group of employees of which the Management Member is a member, (iii) generally applicable to all beneficiaries of such plans (after receipt by the Company of written notice and a 20-day cure period) or (iv) in accordance with the terms of any such plan.

or, if such Management Member is a party to a services, severance or employment agreement with the Company, the meaning as set forth in such services or employment agreement.

“Retirement” means the termination of a Management Member’s employment on or after the date the Management Member attains age 65. Notwithstanding the foregoing, (i) with respect to any Management Member who is a party to a services or employment agreement with the Company, “Retirement” shall have the meaning, if any, specified in such Management Member’s services, severance or employment agreement and (ii) in the event a Management Member whose employment with the Company terminates due to Retirement continues to serve as a Director, or of a consultant to, the Company, such Management Member’s employment with the Company shall not be deemed to have terminated for purposes of Section 7.2 until the date as of which such Management Member’s services as a Director, or of consultant to, the Company shall have also terminated, at which time the Management Member shall be deemed to have terminated employment due to retirement.

“Rule 144” has the meaning given in section 5.1(b).

“Second Amended and Restated LLC Agreement” has the meaning given in the recitals to this Agreement.

“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Stock Purchase Agreement” means that certain Stock Purchase Agreement, dated as of May 15, 2005, by and among Coffeyville Group Holdings, LLC and the Company, as amended and in effect from time to time.

“Subsidiary.” means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof and shall be deemed to include CVR Energy, Inc.

“Tax Matters Partner” has the meaning given in Section 10.2(b).

“Termination for Cause” or “Cause” means a termination of a Management Member’s employment by the Company or any subsidiary of the Company that employs such individual (or by the Company on behalf of any such subsidiary) due to such Management Member’s (i) refusal or neglect to perform substantially his or her employment-related duties, (ii) personal dishonesty, incompetence, willful misconduct or breach of fiduciary duty, (iii) conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony or his or her willful violation of any applicable law (other than a traffic violation or other offense or violation outside of the course of employment which in no way adversely affects the Company and its Subsidiaries or its reputation or the ability of the Management Member to perform his or her employment-related duties or to represent the Company or any Subsidiary of the Company that employs such Management Member) or (iv) material breach of any written covenant or agreement with the Company or any of its Subsidiaries not to disclose any information pertaining to the Company or such subsidiary or not to compete or interfere with the Company or such Subsidiary; provided that, in the case of any Management Member who, as of the date of determination, is party to an effective services, severance or employment agreement with the Company, “termination for Cause” shall have the meaning, if any, specified in such agreement.

“Transfer” means to directly or indirectly transfer, sell, pledge, hypothecate or otherwise dispose of.

“Treasury Regulations” means the Regulations of the Treasury Department of the United States issued pursuant to the Code.

“Units” means any class of Interests provided for herein.

“Value Units” means a sub-class of Override Units, as described in Section 3.2(b).

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

INVESTOR MEMBERS

KELSO INVESTMENT ASSOCIATES VII, L.P.

By: Kelso GP VII, L.P., its General Partner

By: Kelso GP VII, LLC,  
its General Partner

By: /s/ James J. Connors, II  
Name: James J. Connors, II  
Title: Managing Member

KEP VI, LLC

By: /s/ James J. Connors, II  
Name: James J. Connors, II  
Title: Managing Member

*[Signature page to the Third Amended and Restated Limited Liability Company Agreement of  
Coffeyville Acquisition LLC]*

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MANAGEMENT MEMBERS

/s/ John J. Lipinski  
JOHN J. LIPINSKI

---

THE TARA K. LIPINSKI 2007 EXEMPT TRUST

By: /s/ Tara K. Lipinski  
Name: Tara K. Lipinski  
Title: Trustee

THE LIPINSKI 2007 EXEMPT FAMILY TRUST

By: /s/ Patricia E. Lipinski  
Name: Patricia E. Lipinski  
Title: Trustee

/s/ Stanley A. Riemann  
STANLEY A. RIEMANN

---

/s/ James T. Rens  
JAMES T. RENS

---

/s/ Keith D. Osborn  
KEITH D. OSBORN

---

/s/ Kevan A. Vick  
KEVAN A. VICK

---

*[Signature page to the Third Amended and Restated Limited Liability Company Agreement of  
Coffeyville Acquisition LLC]*

---

/s/ Robert W. Haugen  
ROBERT W. HAUGEN

/s/ Wyatt E. Jernigan  
WYATT E. JERNIGAN

/s/ Alan K. Rugh  
ALAN K. RUGH

/s/ Daniel J. Daly, Jr.  
DANIEL J. DALY, JR.

/s/ Edmund Gross  
EDMUND GROSS

/s/ Chris Swanberg  
CHRIS SWANBERG

/s/ John Huggins  
JOHN HUGGINS

*[Signature page to the Third Amended and Restated Limited Liability Company Agreement of  
Coffeyville Acquisition LLC]*

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OUTSIDE MEMBERS

MAGNETITE ASSET INVESTORS III L.L.C.

By: BlackRock Financial Management, Inc., as  
Managing Member

By: /s/ Frank Gordon

\_\_\_\_\_  
Name: Frank Gordon

Title: Managing Director

/s/ Wesley Clark

\_\_\_\_\_  
WESLEY CLARK

*[Signature page to the Third Amended and Restated Limited Liability Company Agreement of  
Coffeyville Acquisition LLC]*

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SCHEDULE A  
Schedule A to the LLC Agreement  
Kelso Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Initial Balance</u>	<u>Capital Contribution</u>	<u>Common Units</u>
Kelso Investment Associates VII, L.P.	June 24, 2005		N/A	\$100,846,088.29	8,912,707.00
KEP VI, LLC	June 24, 2005		N/A	\$ 24,971,411.71	2,206,956.00
<i>Total</i>			N/A	\$125,817,500.00	11,119,663.00

Management Members—Initial Contribution

Name	Date of Admission	Mailing Address	Capital Contribution	Common Units	Date of Issuance	Override Units		Benchmark Amount
						Operating Units	Value Units	
John J. Lipinski	July 25, 2005		\$ 650,000	57,446	Jul. 25, 2005 Dec. 29, 2006	315,818 72,492	631,637 144,966	\$11.3149 \$ 34.72
Stanley A. Riemann	July 25, 2005		\$ 400,000	35,352	Jul. 25, 2005	140,185	280,371	\$11.3149
James T. Rens	July 25, 2005		\$ 250,000	22,095	Jul. 25, 2005	71,965	143,931	\$11.3149
Keith D. Osborn	July 25, 2005		\$ 250,000	22,095	Jul. 25, 2005	71,965	143,931	\$11.3149
Kevan A. Vick	July 25, 2005		\$ 250,000	22,095	Jul. 25, 2005	71,965	143,931	\$11.3149
Robert W. Haugan	July 25, 2005		\$ 100,000	8,838	Jul. 25, 2005	71,965	143,931	\$11.3149
Wyatt E. Jernigan	July 25, 2005		\$ 100,000	8,838	Jul. 25, 2005	71,965	143,931	\$11.3149
Alan K. Rugh	July 25, 2005		\$ 100,000	8,838	Jul. 25, 2005	51,901	103,801	\$11.3149
Daniel J. Daly, Jr.	July 25, 2005		\$ 50,000	4,419	Jul. 25, 2005	51,901	103,801	\$11.3149
Edmund Gross	September 12, 2005		\$ 30,000	2,651	Sep 12, 2005	N/A	N/A	N/A
Chris Swanberg	July 25, 2005		\$ 25,000	2,209	Jul. 25, 2005	N/A	N/A	N/A
John Huggins	July 25, 2005		\$ 70,000	6,187	Jul. 25, 2005	N/A	N/A	N/A
<b>Total</b>			<b>\$2,275,000</b>	<b>201,063</b>		<b>992,122</b>	<b>1,984,931</b>	



**Management Members—Current Holdings**

Name	Capital Contribution	Common Units	Date of Issuance	Override Units		Benchmark Amount
				Operating Units	Value Units	
John J. Lipinski	\$ 325,000	28,723	Jul. 25, 2005	N/A	N/A	N/A
The Tara K. Lipinski 2007 Exempt Trust	N/A	N/A	Jul. 25, 2005	78,954.5	157,909.25	\$11.3149
The Lipinski 2007 Exempt Family Trust	N/A	N/A	Dec. 29, 2006	18,123	36,241.5	\$ 34.72
Stanley A. Riemann	\$ 200,000	17,676	Jul. 25, 2005	78,954.5	157,909.25	\$11.3149
James T. Rens	\$ 125,000	11,047.5	Dec. 29, 2006	18,123	36,241.5	\$ 34.72
Keith D. Osborn	\$ 125,000	11,047.5	Jul. 25, 2005	78,954.5	157,909.25	\$11.3149
Kevan A. Vick	\$ 125,000	11,047.5	Jul. 25, 2005	35,982.5	71,965.5	\$11.3149
Robert W. Haugan	\$ 50,000	4,419	Jul. 25, 2005	35,982.5	71,965.5	\$11.3149
Wyatt E. Jernigan	\$ 50,000	4,419	Jul. 25, 2005	35,982.5	71,965.5	\$11.3149
Alan K. Rugh	\$ 50,000	4,419	Jul. 25, 2005	25,950.5	51,900.5	\$11.3149
Daniel J. Daly, Jr.	\$ 25,000	2,209.5	Jul. 25, 2005	25,950.5	51,900.5	\$11.3149
Edmund Gross	\$ 15,000	1,325.5	Sep 12, 2005	N/A	N/A	N/A
Chris Swanberg	\$ 12,500	1,104.5	Jul. 25, 2005	N/A	N/A	N/A
John Huggins	\$ 35,000	3,093.5	Jul. 25, 2005	N/A	N/A	N/A
<b>Total</b>	<b>\$1,137,500</b>	<b>100,531.75</b>		<b>496,061</b>	<b>992,465.5</b>	

Outside Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>
Magnetite Asset Investors III L.L.C.	June 24, 2005		\$2,000,000	176,758.00
Wesley Clark	September 20, 2005		\$ 125,000	11,047.50

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EXHIBIT A

**SPOUSAL WAIVER**

[INSERT NAME] hereby waives and releases any and all equitable or legal claims and rights, actual, inchoate or contingent, which [she] [he] may acquire with respect to the disposition, voting or control of the Units subject to the Third Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition LLC, dated as of October 16, 2007, as the same may be amended, modified, supplemented or restated from time to time, except for rights in respect of the proceeds of any disposition of such Units.

Name: \_\_\_\_\_

**AMENDMENT NO. 1 TO THE  
THIRD AMENDED AND RESTATED  
LIMITED LIABILITY COMPANY AGREEMENT  
OF  
COFFEYVILLE ACQUISITION LLC**

This Amendment No. 1 (this "Amendment") to the Third Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition LLC., dated October 16, 2007 among the entities listed under the heading "Investor Members" on the signature pages hereto, the individuals listed under the heading "Management Members" on the signature pages hereto, and the entity and individual listed under the heading "Outside Members" on the signature pages hereto (the "LLC Agreement") is entered into effective as of October 24, 2007. Capitalized terms used without definition herein have the meanings specified in the LLC Agreement.

WHEREAS, the LLC Agreement may be amended by a written instrument signed by each of the Investor Members and, in the case of amendments which adversely effect the Management Members as a class, by a Majority in Interest (exclusive of Override Units) of the Management Members.

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 9.1 of the LLC Agreement is hereby amended by adding the following immediately after Section 9.1(d):

“(e) Notwithstanding any other provision in this Agreement, (i) any income recognized by the Company in respect of the dividend received by the Company on October 24, 2007, shall be allocated for Capital Account maintenance and U.S. federal income tax purposes among the members in proportion to the number of Common Units held by each Member as of such date, (ii) the cash received by the company in respect of such dividend shall be distributed by the Company to the Members in proportion to the number of Common Units held by each Member as of such date and (except as otherwise provided by this Section 9.1(e)) shall not otherwise be taken into account in making the computations required by this Section 9.1, and (iii) to the extent of the increase, if any, in the value of the Company’s assets over their value as of October 24, 2007, any distribution after October 24, 2007 shall be made to the Members in proportion to the number of Override Units held by each Member as of October 24, 2007 until the aggregate amount distributed pursuant to this clause (iii) equals the amount that would have been distributed to such Members in respect of their Override Units under Section 9.1(b) but for clause (ii) so that, to the extent of such increase in

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value, the aggregate amount received by each Member is the same as what each Member would have received but for this Section 9.1(e).”

2. Other Provisions. Except to the extent expressly provided herein, the LLC Agreement is not affected hereby and continues in full force and effect in accordance with its original terms.
3. Governing Law; Attorney’s Fees. This Amendment and the rights and obligations of the Members hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof. The substantially prevailing party in any action or proceeding relating to this Amendment shall be entitled to receive an award of, and to recover from the other party or parties, any fees or expenses incurred by him, her or it (including, without limitation, reasonable attorneys’ fees and disbursements) in connection with any such action or proceeding.
4. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

\* \* \* \* \*

***[Remainder of page intentionally left blank;  
Signature pages follows immediately hereafter]***

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IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of October 24, 2007.

INVESTOR MEMBERS

KELSO INVESTMENT ASSOCIATES VII, L.P.

By: Kelso GP VII, L.P., its General Partner

By: Kelso GP VII, LLC,  
its General Partner

By: /s/ James J. Connors, II

\_\_\_\_\_  
Name: James J. Connors, II

Title: Managing Member

KEP VI, LLC

By: /s/ James J. Connors, II

\_\_\_\_\_  
Name: James J. Connors, II

Title: Managing Member

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MANAGEMENT MEMBERS

/s/ John J. Lipinski  
\_\_\_\_\_  
JOHN J. LIPINSKI

THE TARA K. LIPINSKI 2007 EXEMPT TRUST

By: /s/ Tara K. Lipinski  
\_\_\_\_\_  
Name: Tara K. Lipinski  
Title: Trustee

THE LIPINSKI 2007 EXEMPT FAMILY TRUST

By: /s/ Patricia E. Lipinski  
\_\_\_\_\_  
Name: Patricia E. Lipinski  
Title: Trustee

/s/ Stanley A. Riemann  
\_\_\_\_\_  
STANLEY A. RIEMANN

/s/ James T. Rens  
\_\_\_\_\_  
JAMES T. RENS

/s/ Keith D. Osborn  
\_\_\_\_\_  
KEITH D. OSBORN

/s/ Kevan A. Vick  
\_\_\_\_\_  
KEVAN A. VICK

---

/s/ Robert W. Haugen  
ROBERT W. HAUGEN

/s/ Wyatt E. Jernigan  
WYATT E. JERNIGAN

/s/ Alan K. Rugh  
ALAN K. RUGH

/s/ Daniel J. Daly, Jr.  
DANIEL J. DALY, JR.

/s/ Edmund Gross  
EDMUND GROSS

/s/ Chris Swanberg  
CHRIS SWANBERG

/s/ John Huggins  
JOHN HUGGINS

---



OUTSIDE MEMBERS

MAGNETITE ASSET INVESTORS III L.L.C.

By: BlackRock Financial Management, Inc., as  
Managing Member

By: /s/ Frank Gordon

\_\_\_\_\_  
Name: Frank Gordon

Title: Managing Director

/s/ Wesley Clark

\_\_\_\_\_  
WESLEY CLARK

FIRST AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT  
OF  
COFFEYVILLE ACQUISITION II LLC

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Table of Contents

Page

ARTICLE I  
FORMATION OF THE COMPANY

Section 1.1 Formation	2
Section 1.2 Company Name	2
Section 1.3 The Certificate, etc	2
Section 1.4 Term of Company	2
Section 1.5 Registered Agent and Office	2
Section 1.6 Principal Place of Business	2
Section 1.7 Qualification in Other Jurisdictions	2
Section 1.8 Fiscal Year; Taxable Year	3

ARTICLE II  
PURPOSE AND POWERS OF THE COMPANY

Section 2.1 Purpose	3
Section 2.2 Powers of the Company	3
Section 2.3 Certain Tax Matters	3

ARTICLE III  
MEMBERS AND INTERESTS GENERALLY

Section 3.1 Powers of Members	3
Section 3.2 Interests Generally	3
Section 3.3 Meetings of Members	5
Section 3.4 Business Transactions of a Member with the Company	6
Section 3.5 No Cessation of Membership upon Bankruptcy	6
Section 3.6 Additional Members	6
Section 3.7 Other Business for Members	7

ARTICLE IV  
MANAGEMENT

Section 4.1 Board	7
Section 4.2 Meetings of the Board	8
Section 4.3 Quorum and Acts of the Board	8
Section 4.4 Electronic Communications	8
Section 4.5 Committees of Directors	9
Section 4.6 Compensation of Directors	9
Section 4.7 Resignation	9
Section 4.8 Removal of Directors	9

Table of Contents  
(continued)

	Page
Section 4.9 Vacancies	9
Section 4.10 Directors as Agents	10
Section 4.11 Officers	10
Section 4.12 Strategic Planning Committee	10
ARTICLE V	
INVESTMENT REPRESENTATIONS, WARRANTIES AND COVENANTS	
Section 5.1 Representations, Warranties and Covenants of Members	10
Section 5.2 Additional Representations and Warranties of Non-Investor Members	12
Section 5.3 Additional Representations and Warranties of Investor Members	12
Section 5.4 Additional Covenants of Management Members	13
ARTICLE VI	
CAPITAL ACCOUNTS; CAPITAL CONTRIBUTIONS	
Section 6.1 Capital Accounts	13
Section 6.2 Adjustments	13
Section 6.3 Additional Capital Contributions	14
Section 6.4 Negative Capital Accounts	14
ARTICLE VII	
ADDITIONAL TERMS APPLICABLE TO OVERRIDE UNITS	
Section 7.1 Certain Terms	14
Section 7.2 Effects of Termination of Employment on Override Units	15
ARTICLE VIII	
ALLOCATIONS	
Section 8.1 Book Allocations of Net Income and Net Loss	17
Section 8.2 Special Book Allocations	17
Section 8.3 Tax Allocations	18
ARTICLE IX	
DISTRIBUTIONS	
Section 9.1 Distributions Generally	19
Section 9.2 Distributions In Kind	19
Section 9.3 No Withdrawal of Capital	19
Section 9.4 Withholding	20

Table of Contents  
(continued)

	Page
Section 9.5 Restricted Distributions	20
Section 9.6 Tax Distributions	20
ARTICLE X BOOKS AND RECORDS	
Section 10.1 Books, Records and Financial Statements	21
Section 10.2 Filings of Returns and Other Writings; Tax Matters Partner	21
Section 10.3 Accounting Method	22
ARTICLE XI LIABILITY, EXCULPATION AND INDEMNIFICATION	
Section 11.1 Liability	22
Section 11.2 Exculpation	22
Section 11.3 Fiduciary Duty	22
Section 11.4 Indemnification	23
Section 11.5 Expenses	23
Section 11.6 Severability	23
ARTICLE XII TRANSFERS OF INTERESTS	
Section 12.1 Restrictions on Transfers of Interests by Members	23
Section 12.2 Overriding Provisions	24
Section 12.3 Estate Planning Transfers; Transfers upon Death of a Management Member	24
Section 12.4 Involuntary Transfers	24
Section 12.5 Assignments	25
Section 12.6 Substitute Members	25
Section 12.7 Release of Liability	26
ARTICLE XIII DISSOLUTION, LIQUIDATION AND TERMINATION	
Section 13.1 Dissolving Events	26
Section 13.2 Dissolution and Winding-Up	26
Section 13.3 Distributions in Cash or in Kind	27
Section 13.4 Termination	27
Section 13.5 Claims of the Members	27

Table of Contents  
(continued)

Page

ARTICLE XIV  
MISCELLANEOUS

Section 14.1 Notices	27
Section 14.2 Securities Act Matters	28
Section 14.3 Headings	29
Section 14.4 Entire Agreement	29
Section 14.5 Counterparts	29
Section 14.6 Governing Law; Attorneys' Fees	29
Section 14.7 Waivers	29
Section 14.8 Invalidation of Provision	29
Section 14.9 Further Actions	29
Section 14.10 Amendments	30
Section 14.11 No Third Party Beneficiaries	30
Section 14.12 Injunctive Relief	30
Section 14.13 Power of Attorney	31

ARTICLE XV  
DEFINED TERMS

Section 15.1 Definitions	31
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FIRST AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF  
COFFEYVILLE ACQUISITION II LLC

This First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC (the "**Company**") is dated as of October 16, 2007, among the entities listed under the heading "GSCP Members" on Schedule A hereto (each, a "**GSCP Member**" and, collectively, the "**Investor Members**"), the individuals listed under the heading "Management Members" on Schedule A hereto (each a "**Management Member**" and collectively, the "**Management Members**" which term shall also include such other management employees of the Company who become members of the Company and are designated "Management Members" after the date hereof in accordance with Section 3.6 of this Agreement) and the Persons listed under the heading "Outside Members" on Schedule A hereto (each an "**Outside Member**" and together with any Persons who become members of the Company and are designated "Outside Members" after the date hereof in accordance with Section 3.6 of this Agreement, the "**Outside Members**"). The Management Members, the Inactive Management Members and the Outside Members are collectively referred to herein as the "**Non-Investor Members**." The Investor Members and the Non-Investor Members are collectively referred to herein as the "**Members**." Any capitalized term used herein without definition shall have the meaning set forth in Article XV.

WHEREAS, the Coffeyville Acquisition LLC, a Delaware corporation ("**CA**"), entered into a limited liability company agreement, dated as of October 16, (the "**Original LLC Agreement**"), pursuant to which the CA contributed 50% of its assets to the Company in consideration of the issuance by the Company to CA of 100% of the membership interests of the Company;

WHEREAS, prior to the date hereof, the GSCP Members, Wesley Clark and the Management Members held membership interests in CA;

WHEREAS, contemporaneously with this Agreement, CA entered into a redemption agreement with the GSCP Members, Wesley Clark and the Management Members, pursuant to which CA redeemed 100% of the membership interests in CA held by each of the GSCP Members and one-half of the membership interests in CA held by each of the Management Members and Wesley Clark in exchange for 100% of the membership interests in the Company held by CA;

WHEREAS the redemption shall be treated as a division of the Company within the meaning of Treasury Regulation section 1.708-1(d) with neither the Company nor CA treated as a continuing partnership; and

WHEREAS, the parties hereto desire to enter into this Agreement for the purpose of adopting the terms of this Agreement as the complete expression of the covenants, agreements and undertakings of the parties hereto with respect to the affairs of the Company, the conduct of its business and the rights and obligations of the Members, thereby amending, restating, replacing and superseding the Original LLC Agreement in its entirety.

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NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

**ARTICLE I**  
**FORMATION OF THE COMPANY**

**Section 1.1 Formation.** The Company was formed upon the filing of the Certificate with the Secretary of State of the State of Delaware on June 7, 2007.

**Section 1.2 Company Name.** The name of the Company is Coffeyville Acquisition LLC. The business of the Company may be conducted under such other names as the Board may from time to time designate; provided that the Company complies with all relevant state laws relating to the use of fictitious and assumed names.

**Section 1.3 The Certificate, etc.** Each Director is hereby authorized to execute, deliver, file and record all such other certificates and documents, including amendments to or restatements of the Certificate, and to do such other acts as may be appropriate to comply with all requirements for the formation, continuation and operation of a limited liability company, the ownership of property, and the conduct of business under the laws of the State of Delaware and any other jurisdiction in which the Company may own property or conduct business.

**Section 1.4 Term of Company.** The term of the Company commenced on the date of the initial filing of the Certificate with the Secretary of State of the State of Delaware. The Company may be terminated in accordance with the terms and provisions hereof, and shall continue unless and until dissolved as provided in Article XIII. The existence of the Company as a separate legal entity shall continue until the cancellation of the Certificate as provided in the Delaware Act.

**Section 1.5 Registered Agent and Office.** The Company's registered agent and office in the State of Delaware is Corporation Service Company located at 2711 Centerville Road Suit 400, Wilmington, New Castle County, Delaware 19808. The Board may designate another registered agent and/or registered office from time to time in accordance with the then applicable provisions of the Delaware Act and any other applicable laws.

**Section 1.6 Principal Place of Business.** The principal place of business of the Company is located at 10 E. Cambridge Circle, Ste. 250, Kansas City, Kansas 66103. The location of the Company's principal place of business may be changed by the Board from time to time in accordance with the then applicable provisions of the Delaware Act and any other applicable laws.

**Section 1.7 Qualification in Other Jurisdictions.** Any authorized person of the Company shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.



**Section 1.8 Fiscal Year; Taxable Year.** The fiscal year of the Company for financial accounting purposes shall end on December 31.

## ARTICLE II

### PURPOSE AND POWERS OF THE COMPANY

**Section 2.1 Purpose.** The purposes of the Company are, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Delaware Act and engaging in all acts or activities as the Company deems necessary, advisable or incidental to the furtherance of the foregoing.

**Section 2.2 Powers of the Company.** The Company shall have the power and authority to take any and all actions that are necessary, appropriate, advisable, convenient or incidental to or for the furtherance of the purposes set forth in Section 2.1.

**Section 2.3 Certain Tax Matters.** The Company shall not elect, and the Board shall not permit the Company to elect, to be treated as an association taxable as a corporation for U.S. federal, state or local income tax purposes under Treasury Regulations section 301.7701-3 or under any corresponding provision of state or local law. The Company and the Board shall not permit the registration or listing of the Interests on an "established securities market," as such term is used in Treasury Regulations section 1.7704-1.

## ARTICLE III

### MEMBERS AND INTERESTS GENERALLY

**Section 3.1 Powers of Members.** The Members shall have the power to exercise any and all rights or powers granted to the Members pursuant to the express terms of this Agreement. The approval or consent of the Members shall not be required in order to authorize the taking of any action by the Company unless and then only to the extent that (a) this Agreement shall expressly provide therefor, (b) such approval or consent shall be required by non-waivable provisions of the Delaware Act or (c) the Board shall have determined in its sole discretion that obtaining such approval or consent would be appropriate or desirable. The Members, as such, shall have no power to bind the Company.

**Section 3.2 Interests Generally.** As of the date hereof, the Company has two authorized classes of Interests: Common Units and Override Units (which will consist of either Operating Units or Value Units as described below). Except as otherwise provided in this Article III, the Company shall not (1) authorize additional classes of Interests denominated in the form of Units other than Override Units or (2) to issue Units in a particular class to any Person other than a Management Member (including any Person who becomes a Management Member at any time after the date of this Agreement in accordance with Section 3.6) without (x) the prior consent of the Board, (y) the prior consent of a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by a proposed additional class

of Interests, by such Management Member and (z) the prior consent of CA. Additional classes of Override Units may be authorized from time to time by the Board without obtaining the consent of any Member, class of Members or CA.

(a) Common Units.

(i) General. Subject to the provisions of Section 7.2(b), the holders of Common Units will have voting rights with respect to their Common Units as provided in Section 3.3(d) and shall have the rights with respect to profits and losses of the Company and distributions from the Company as are set forth herein. The number of Common Units of each Member as of any given time shall be set forth on Schedule A, as it may be updated from time to time in accordance with this Agreement.

(ii) Price. The payment terms and schedule for the Capital Contributions applicable to any Common Unit will be determined by the Board upon issuance of such Common Units.

(b) Override Units.

(i) General. The Company will have two sub-classes of Override Units: Operating Units and Value Units. Subject to the provisions of Article VII hereof (including the applicable Benchmark Amount), the holders of Override Units will have no voting rights with respect to their Override Units but shall have the rights with respect to profits and losses of the Company and distributions from the Company as are set forth herein; provided that additional terms and conditions applicable to an Override Unit may be established by the Board in connection with the issuance of any such Override Unit to a person who becomes a Management Member at any time after the date of this Agreement in accordance with Section 3.6 hereof. The number of Override Units issued to a Management Member as of any given time shall be set forth on Schedule A, as it may be updated from time to time in accordance with this Agreement. Following the forfeiture and cancellation of any Override Units pursuant to Section 7.2, the Company may issue a number of Override Units up to such number of forfeited and cancelled Override Units as the Board may determine, without obtaining the consent of any Member, class of Members or CA.

(ii) Price. The holders of Override Units are not required to make any Capital Contribution to the Company in exchange for their Override Units, it being recognized that, unless otherwise determined by a majority of the Board, such Units shall be issued only to Management Members who own Common Units and who agree to provide services to the Company pursuant to Section 4.13.

(c) At least 30 days prior to any issuance of Interests by the Company to any Management Member (including any Person who becomes a Management Member at any time after the date of this Agreement in accordance with Section 3.6), the Company shall deliver a written notice to that effect to CA, which notice shall include the amount and type of Interests to be issued, the identity of such Management Member or Management Members, the Capital

Contribution expected to be made with respect to such Interests, if any, and any other material terms and conditions of such proposed issuance.

**Section 3.3 Meetings of Members.**

(a) Meetings; Notice of Meetings. Meetings of the Members, including any special meeting, may be called by the Board from time to time. Notice of any such meeting shall be given to all Members not less than two nor more than 30 business days prior to the date of such meeting and shall state the location, date and hour of the meeting and, in the case of a special meeting, the nature of the business to be transacted. Meetings shall be held at the location (within or without the State of Delaware) at the date and hour set forth in the notice of the meeting.

(b) Waiver of Notice. No notice of any meeting of Members need be given to any Member who submits a signed waiver of notice, whether before or after the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members need be specified in a written waiver of notice. The attendance of any Member at a meeting of Members shall constitute a waiver of notice of such meeting, except when the Member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) Quorum. Except as otherwise required by applicable law or by the Certificate, the presence in person or by proxy of the holders of record of a Majority in Interest shall constitute a quorum for the transaction of business at such meeting.

(d) Voting. If the Board has fixed a record date, every holder of record of Units entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members as of such date shall be entitled to one vote for each such Unit outstanding in such Member's name at the close of business on such record date. Holders of record of Override Units will have no voting rights with respect to such Units. If no record date has been so fixed, then every holder of record of such Units entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members shall be entitled to one vote for each Unit outstanding in his name on the close of business on the day next preceding the day on which notice of the meeting is given or the first consent in respect of the applicable action is executed and delivered to the Company, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. Except as otherwise required by applicable law, the Certificate or this Agreement, the vote of a Majority in Interest at any meeting at which a quorum is present shall be sufficient for the transaction of any business at such meeting.

(e) Proxies. Each Member may authorize any Person to act for such Member by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or such Member's attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it unless otherwise provided in such proxy; provided, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

(f) Organization. Each meeting of Members shall be conducted by such Person as the Board may designate.

(g) Action Without a Meeting. Unless otherwise provided in this Agreement, any action which may be taken at any meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by a Majority in Interest. Prompt notice of the taking of the action without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing.

**Section 3.4 Business Transactions of a Member with the Company**. A Member may lend money to, borrow money from, act as surety or endorser for, guarantee or assume one or more specific obligations of, provide collateral for, or transact any other business with the Company or any of its Subsidiaries; provided that any such transaction shall require the approval of the Board.

**Section 3.5 No Cessation of Membership upon Bankruptcy**. A Person shall not cease to be a Member of the Company upon the happening, with respect to such Person, of any of the events specified in Section 18-304 of the Delaware Act.

**Section 3.6 Additional Members**.

(a) Admission Generally. Upon the approval of (x) the Board, (y) a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by such action, by such Management Member and (z) CA, the Company may admit one or more additional Members (each, an "**Additional Member**"), to be treated as a "Member" or one of the "Members" for all purposes hereunder. The Board may designate any such Additional Member as an "Investor Member," a "Management Member" or an "Outside Member" hereunder. Notwithstanding the foregoing, one or more management employees of the Company may be admitted as a Management Member upon approval of the Board without obtaining the consent of any Member, class of Members or CA.

(b) Rights of Additional Members. Prior to the admission of an Additional Member, the Board shall determine:

(i) the Capital Contribution (if any) of such Additional Member;

(ii) the rights, if any, of such Additional Member to appoint Directors to the Board;

(iii) the number of Units to be granted to such Additional Member and whether such Units shall be Common Units, Override Units or Units of an additional class of Interests authorized pursuant to the terms of this Agreement; and in the case of Common Units, the price to be paid therefor and in the case of any Override Units, the applicable Benchmark Amount and terms thereof, including whether such Override Units are Operating Units or Value Units; and

(iv) whether such Additional Member will be a Management Member or an Investor Member or an Outside Member; provided that the rights and obligations of any Outside Member shall be as specified by the Board in its sole discretion and, if such terms are different from the terms applicable to the Outside Members as provided herein, this Agreement shall be amended, in accordance with Section 14.10, to reflect such terms.

(c) Admission Procedure. Each Person shall be admitted as an Additional Member at the time such Person (i) executes a joinder agreement to this Agreement, (ii) makes Capital Contributions (if any) to the Company in an amount to be determined by the Board, (iii) complies with the applicable Board resolution, if any, with respect to such admission, (iv) is issued Units (if any) by the Company and (v) is named as a Member in Schedule A (as described in Section 12.2) hereto. The Board is authorized to amend Schedule A to reflect any issuance of Units and any such admission and any actions pursuant to this Section 3.6.

#### **Section 3.7 Other Business for Members.**

(a) Existing Business Ventures. Each Member, Director and their respective Affiliates may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Company, and the Company, the Directors and the Members shall have no rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Company, shall not be deemed wrongful or improper.

(b) Business Opportunities. No Member, Director or any of their respective Affiliates shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that the Company or any of its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and each Member, Director or any of their respective Affiliates shall have the right to take for such Person's own account (individually or as a partner or fiduciary) or to recommend to others any such particular investment opportunity.

(c) Management Members. For the avoidance of doubt, the provisions of Section 3.7(a) and (b) shall not in any way limit any non-competition or non-solicitation restrictions contained in an employment, severance, separation or services agreement between any Management Member or any other Member who is an employee of the Company or any of its Subsidiaries and the Company or any of its Subsidiaries.

### **ARTICLE IV MANAGEMENT**

#### **Section 4.1 Board.**

(a) Generally. The business and affairs of the Company shall be managed by or under the direction of a committee of the Company (the "Board") consisting of such number of natural persons (each, a "Director") as shall be established by the vote, approval or consent of a

Majority in Interest from time to time. The Directors shall be appointed to the Board upon the vote, approval or consent of a Majority in Interest. Directors need not be Members. Subject to the other provisions of this Article IV, the Board shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company and to take all such actions as it deems necessary or appropriate to accomplish the purposes of the Company as set forth herein, including, without limitation, to exercise all of the powers of the Company set forth in Section 2.2 of this Agreement. Each person named as a Director herein or subsequently appointed as a Director is hereby designated as a "manager" (within the meaning of the Delaware Act) of the Company. Except as otherwise provided herein, and notwithstanding the last sentence of Section 18-402 of the Delaware Act, no single Director may bind the Company, and the Board shall have the power to act only collectively in accordance with the provisions and in the manner specified herein. Each Director shall hold office until a successor is appointed in accordance with this Section 4.1(b) or until such Director's earlier death, resignation or removal in accordance with the provisions hereof.

(b) **Current Directors.** Subject to the right to increase or decrease the authorized number of Directors pursuant to the first sentence of Section 4.1(a), the Board shall consist of two Directors. The two Directors referenced in the immediately preceding sentence shall be Scott Lebovitz and Kenneth Pontarelli.

**Section 4.2 Meetings of the Board.** The Board shall meet from time to time to discuss the business of the Company. The Board may hold meetings either within or without the State of Delaware. Meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board. The Chief Executive Officer of the Company or a majority of the Board may call a meeting of the Board on five business days' notice to each Director, either personally, by telephone, by facsimile or by any other similarly timely means of communication, which notice requirement may be waived by the Directors.

**Section 4.3 Quorum and Acts of the Board.**

(a) At all meetings of the Board, two Directors shall constitute a quorum for the transaction of business, unless the number of Directors is increased or decreased pursuant to Section 4.1(a), in which case the presence of a majority of the then authorized number of Directors shall constitute a quorum. If a quorum shall not be present at any meeting of the Board, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if a majority of the members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

(b) Except as otherwise provided in this Agreement, 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.

**Section 4.4 Electronic Communications.** Members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means

of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

**Section 4.5 Committees of Directors.** The Board may, by resolution passed by a majority of Directors, designate one or more committees. Such resolution shall specify the duties, quorum requirements and qualifications of the members of such committees, each such committee to consist of such number of Directors as the Board may fix from time to time. 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 the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

**Section 4.6 Compensation of Directors.** The Board shall have the authority to fix the compensation of Directors. The Directors may be paid their expenses, if any, of attendance at such meetings of the Board and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary as a Director. No such payment shall preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Members of any committee of the Board may be allowed like compensation for attending committee meetings.

**Section 4.7 Resignation.** Any Director may resign at any time by giving written notice to the Company. The resignation of any Director shall take effect upon receipt of such notice or at such later time as shall be specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation by the Company, the Members or the remaining Directors shall not be necessary to make it effective. Upon the effectiveness of any such resignation, such Director shall cease to be a "manager" (within the meaning of the Delaware Act).

**Section 4.8 Removal of Directors.** Members shall have the right to remove any Director at any time for cause upon the affirmative vote of a Majority in Interest. In addition, a majority of the Directors then in office shall have the right to remove a Director for cause. Upon the taking of such action, the Director shall cease to be a "manager" (within the meaning of the Delaware Act). Any vacancy caused by any such removal shall be filled in accordance with Section 4.9.

**Section 4.9 Vacancies.** If any vacancies shall occur in the Board, by reason of death, resignation, deemed resignation, removal or otherwise, the Directors then in office shall continue to act, and actions that would otherwise be taken by a majority of the Directors may be taken by a majority of the Directors then in office, even if less than a quorum. A Director elected to fill a

vacancy shall hold office until his or her successor has been elected and qualified or until his or her earlier death, resignation or removal.

**Section 4.10 Directors as Agents.** The Directors, to the extent of their powers set forth in this Agreement, are agents of the Company for the purpose of the Company's business, and the actions of the Directors taken in accordance with such powers shall bind the Company. Except as otherwise provided in Section 1.3 and notwithstanding the last sentence of Section 18-402 of the Delaware Act, no single Director shall have the power to bind the Company and the Board shall have the power to act only collectively in the manner specified herein.

**Section 4.11 Officers.** The Board shall appoint an individual or individuals to serve as the Company's Chief Executive Officer and President and Chief Financial Officer and may, from time to time as it deems advisable, appoint additional officers of the Company (together with the Chief Executive Officer and President and Chief Financial Officer, the "**Officers**") and assign such officers titles (including, without limitation, Vice President, Secretary and Treasurer). Unless otherwise decided by a majority of the Board, each Management Member shall be an officer of the Company. Unless the Board decides otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section 4.11 may be revoked at any time by the Board. Any Officer may be removed with or without cause by the Board, except as otherwise provided in any services or employment agreement between such Officer and the Company.

**Section 4.12 Strategic Planning Committee.** The Company shall establish a Strategic Planning Committee to advise the President and Chief Executive Officer of the Company on such matters as he shall request, which shall at a minimum include (but shall not be limited to) assessment of and advice regarding (a) the business affairs and prospects of the Company and its Subsidiaries; (b) developing and implementing corporate and business strategy and planning for the Company and its Subsidiaries, including plans and programs for improving operating, marketing and financial performance, budgeting of future corporate investments, acquisition and divestiture strategies, and reorganization programs and (c) planning for and assessment of strategic opportunities and disposition prospects for the Company and its Subsidiaries. The Strategic Planning Committee shall have no decision-making authority, but instead shall advise and report to, and be chaired by, the President and Chief Executive Officer of the Company. The Strategic Planning Committee shall consist of each Management Member (excluding Inactive Management Members). The Strategic Planning Committee shall meet at least semiannually and in connection with matters determined by the Board in its sole discretion.

## ARTICLE V

### INVESTMENT REPRESENTATIONS, WARRANTIES AND COVENANTS

#### **Section 5.1 Representations, Warranties and Covenants of Members.**

(a) Investment Intention and Restrictions on Disposition. Each Member represents and warrants that such Member is acquiring the Interests solely for such Member's own account for



investment and not with a view to resale in connection with any distribution thereof. Each Member agrees that such Member will not, directly or indirectly, Transfer any of the Interests (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of any of the Interests) or any interest therein or any rights relating thereto or offer to Transfer, except in compliance with the Securities Act, all applicable state securities or "blue sky" laws and this Agreement, as the same shall be amended from time to time. Any attempt by a Member, directly or indirectly, to Transfer, or offer to Transfer, any Interests or any interest therein or any rights relating thereto without complying with the provisions of this Agreement, shall be void and of no effect.

(b) Securities Laws Matters. Each Member acknowledges receipt of advice from the Company that (i) the Interests have not been registered under the Securities Act or qualified under any state securities or "blue sky" laws, (ii) it is not anticipated that there will be any public market for the Interests, (iii) the Interests must be held indefinitely and such Member must continue to bear the economic risk of the investment in the Interests unless the Interests are subsequently registered under the Securities Act and such state laws or an exemption from registration is available, (iv) Rule 144 promulgated under the Securities Act ("**Rule 144**") is not presently available with respect to sales of any securities of the Company and the Company has made no covenant to make Rule 144 available and Rule 144 is not anticipated to be available in the foreseeable future, (v) when and if the Interests may be disposed of without registration in reliance upon Rule 144, such disposition can be made only in limited amounts and in accordance with the terms and conditions of such Rule and the provisions of this Agreement, (vi) if the exemption afforded by Rule 144 is not available, public sale of the Interests without registration will require the availability of an exemption under the Securities Act, (vii) restrictive legends shall be placed on any certificate representing the Interests and (viii) a notation shall be made in the appropriate records of the Company indicating that the Interests are subject to restrictions on transfer and, if the Company should in the future engage the services of a transfer agent, appropriate stop-transfer instructions will be issued to such transfer agent with respect to the Interests.

(c) Ability to Bear Risk. Each Member represents and warrants that (i) such Member's financial situation is such that such Member can afford to bear the economic risk of holding the Interests for an indefinite period and (ii) such Member can afford to suffer the complete loss of such Member's investment in the Interests.

(d) Access to Information; Sophistication; Lack of Reliance. Each Member represents and warrants that (i) such Member is familiar with the business and financial condition, properties, operations and prospects of the Company and that such Member has been granted the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the Company and the terms and conditions of the purchase of the Interests and to obtain any additional information that such Member deems necessary, (ii) such Member's knowledge and experience in financial and business matters is such that such Member is capable of evaluating the merits and risk of the investment in the Interests and (iii) such Member has carefully reviewed the terms and provisions of this Agreement and has evaluated the restrictions and obligations contained therein. In furtherance of the foregoing, each Member represents and warrants that (i) no representation or warranty, express or implied, whether written or oral, as to the financial condition, results of operations, prospects, properties or business of the Company or as to the desirability or value of an investment in the Company has been made to such Member

by or on behalf of the Company, (ii) such Member has relied upon such Member's own independent appraisal and investigation, and the advice of such Member's own counsel, tax advisors and other advisors, regarding the risks of an investment in the Company and (iii) such Member will continue to bear sole responsibility for making its own independent evaluation and monitoring of the risks of its investment in the Company.

(e) Accredited Investor. Each Member represents and warrants that such Member is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act and, in connection with the execution of this Agreement, agrees to deliver such certificates to that effect as the Board may request.

**Section 5.2 Additional Representations and Warranties of Non-Investor Members**. Each Non-Investor Member represents and warrants that (i) such Non-Investor Member has duly executed and delivered this Agreement, (ii) all actions required to be taken by or on behalf of the Non-Investor Member to authorize it to execute, deliver and perform its obligations under this Agreement have been taken and this Agreement constitutes such Non-Investor Member's legal, valid and binding obligation, enforceable against such Non-Investor Member in accordance with the terms hereof, (iii) the execution and delivery of this Agreement and the consummation by the Non-Investor Member of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to the Non-Investor Member or by which the Non-Investor Member or any material portion of its properties is bound, (iv) no consent, approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by such Non-Investor Member in connection with the execution and delivery of this Agreement or the performance of such Non-Investor Member's obligations hereunder, (v) if such Non-Investor Member is an individual, such Non-Investor Member is a resident of the state set forth opposite such Non-Investor Member's name on Schedule A and (vi) if such Non-Investor Member is not an individual, such Non-Investor Member's principal place of business and mailing address is in the state set forth opposite such Non-Investor Member's name on Schedule A.

**Section 5.3 Additional Representations and Warranties of Investor Members**.

(a) Due Organization; Power and Authority, etc. GSCP Onshore represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. GS Capital Partners V Offshore Fund, L.P. represents and warrants that it is an exempted limited partnership duly formed, validly existing and in good standing under the laws of the Cayman Islands. GSCP Institutional represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. GS Capital Partners V GmbH & Co. KG represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of Germany. Each Investor Member further represents and warrants that it has all necessary power and authority to enter into this Agreement to carry out the transactions contemplated herein.

(b) Authorization; Enforceability. All actions required to be taken by or on behalf of such Investor Member to authorize it to execute, deliver and perform its obligations under this Agreement have been taken, and this Agreement constitutes the legal, valid and binding obligation of such Investor Member, enforceable against such Investor Member in accordance with its terms, except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

(c) Compliance with Laws and Other Instruments. The execution and delivery of this Agreement and the consummation by such Investor Member of the transactions contemplated hereby and thereby in the manner contemplated hereby and thereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to such Investor Member or by which such Investor Member or any material portion of its properties is bound, except for conflicts, breaches and defaults that, individually or in the aggregate, will not have a material adverse effect upon the financial condition, business or operations of such Investor Member or upon such Investor Member's ability to enter into and carry out its obligations under this Agreement.

(d) Executing Parties. The person executing this Agreement on behalf of each Investor Member has full power and authority to bind such Investor Member to the terms hereof and thereof.

**Section 5.4 Additional Covenants of Management Members**. Each Management Member hereby agrees that, upon the receipt of any Override Unit, it shall make an election pursuant to section 83(b) of the Code.

## ARTICLE VI

### CAPITAL ACCOUNTS; CAPITAL CONTRIBUTIONS

**Section 6.1 Capital Accounts**. A separate capital account (a "Capital Account") shall be established and maintained for each Member. The current balance in each Member's Capital Account is as set forth on Schedule A.

**Section 6.2 Adjustments**.

(a) Any contributions of property after the date hereof shall be valued at their Fair Market Value.

(b) As of the end of each Accounting Period, the balance in each Member's Capital Account shall be adjusted by (i) increasing such balance by (A) such Member's allocable share of Net Income (allocated in accordance with Section 8.1), (B) the items of gross income allocated to such Member pursuant to Section 8.2 and (C) the amount of cash and the Fair Market Value of any property (as of the date of the contribution thereof and net of any liabilities encumbering such property) contributed to the Company by such Member during such Accounting Period, if any, and (ii) decreasing such balance by (A) the amount of cash and the

Fair Market Value of any property (as of the date of the distribution thereof and net of any liabilities encumbering such property) distributed to such Member during such Accounting Period. (B) such Member's allocable share of Net Loss (allocated in accordance with Section 8.1) and (C) the items of gross deduction allocated to such Member pursuant to Section 8.2. The provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations section 1.704-1(b) and section 1.704-2 and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

**Section 6.3 Additional Capital Contributions.** No Member shall be required to make any additional capital contribution to the Company in respect of the Interests then owned by such Member. A Member may make further capital contributions to the Company, but only with the written consent of the Board acting by majority vote. The provisions of this Section 6.3 are intended solely to benefit the Members and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third party beneficiary of this Agreement), and no Member shall have any duty or obligation to any creditor of the Company to make any additional capital contributions or to cause the Board to consent to the making of additional capital contributions.

**Section 6.4 Negative Capital Accounts.** Except as otherwise required by this Agreement, no Member shall be required to make up a negative balance in its Capital Account.

## ARTICLE VII

### ADDITIONAL TERMS APPLICABLE TO OVERRIDE UNITS

#### **Section 7.1 Certain Terms.**

(a) **Forfeiture of Operating Units.** A Management Member's Operating Units shall be subject to forfeiture in accordance with the schedule in Section 7.2 hereof if he or she becomes an Inactive Management Member before the fifth anniversary of the Issuance Date of the Operating Units.

(b) **Valuation of the Value Units; Forfeiture of Operating Units.** Value Units will not participate in distributions under Article IX until from and after any point in time when the Current Value is at least two times the Initial Price. All Value Units will participate in distributions from and after any point in time when the Current Value is at least four times the Initial Price, and if at any time the Current Value is greater than two times but less than four times the Initial Price the number of a Management Member's Value Units that will participate in distributions at such time shall be that portion of such Management Member's Value Units that bears the same ratio as a fraction the numerator of which is the Current Value minus the product of (w) two and (x) the Initial Price, and the denominator of which is the product of (y) two and (z) the Initial Price. This Section 7.1(b) shall be applied to a Value Unit only after such Value Unit is no longer subject to Section 9.1(c). Any amount that is not distributed to the holder of any Value Unit as a result of this Section 7.1(b) shall be distributed pursuant to Section 9.1(b).

In the event that any portion of the Value Units does not become eligible to participate in distributions pursuant to this Section 7.1(b) upon the occurrence of an Exit Event, such portion of such Value Units shall automatically be forfeited.

(c) Certain Adjustments. On the tenth anniversary of the Issuance Date of any Override Unit, each such Override Unit (unless previously forfeited pursuant to this Agreement) shall (i) in the case of any Operating Unit, automatically convert into one Value Unit and (ii) in the case of any Value Unit (including any Value Units issued pursuant to clause (i) of this sentence and treating such Value Units as issued on the original Issuance Date of the Operating Unit giving rise to the conversion), be subject to Section 7.1(b) modified by substituting "10 times" for "two times" in each place where "two times" appears and substituting "12 times" for "four times" in each place where "four times" appears.

(d) Calculations. All calculations required or contemplated by Section 7.1(b) or Section 7.1(c) shall be made in the sole determination of the Board and shall be final and binding on the Company and each Management Member.

(e) Benchmark Amount. The Board shall determine the Benchmark Amount with respect to each Override Unit at the time such Override Unit is issued to a Management Member, which shall be reflected on Schedule A. The Benchmark Amount of each issued Override Unit shall be reflected on Schedule A, which (together with the provisions of Sections 9.1(b) and (c)) are intended to result in such Override Unit being treated as a profits interest for U.S. federal income tax purposes as of the date such Override Unit is issued.

**Section 7.2 Effects of Termination of Employment on Override Units.**

(a) Forfeiture of Override Units upon Termination.

(i) Termination for Cause. Unless otherwise determined by the Board in a manner more favorable to such Management Member, in the event that a Management Member ceases to provide services to the Company or one of its Subsidiaries in connection with any termination for Cause, all of the Override Units issued to such Inactive Management Member shall be forfeited.

(ii) Other Termination. Unless otherwise determined by the Override Unit Committee in a manner more favorable to such Management Member, in the event that a Management Member ceases to provide services to the Company or one of its Subsidiaries in connection with the termination of employment of such Member for any reason other than a termination for Cause, then, in the event that (x) an Exit Event has not yet occurred, and (y) no definitive agreement shall be in effect regarding a transaction, which, if consummated, would result in an Exit Event, then all of the Value Units (other than any Value Units that are exempt from forfeiture pursuant to this Section 7.2.(a)(ii) by virtue of the application of Section 7.2(a)(iii)) issued to such Inactive Management Member shall be forfeited and a percentage of the Operating Units issued to such Inactive Management Member shall be forfeited according to the following schedule (it being understood that in the event that such forfeiture does not occur as a result of the operation of clause (y) but the definitive agreement referred to in such clause (y) subsequently

terminates without consummation of an Exit Event, then the forfeiture of all of the Value Units (other than any Value Units that are exempt from forfeiture pursuant to this Section 7.2.(a)(ii) by virtue of the application of Section 7.2(a)(iii)) and of the applicable percentage of Operating Units referred to herein shall thereupon occur):

If the termination occurs	Percentage of such Inactive Management Member's Operating Units to be Forfeited
Before the second anniversary of the Issuance Date of such Inactive Management Member's Operating Units	100%
On or after the second anniversary, but before the third anniversary, of the Issuance Date of such Inactive Management Member's Operating Units	75%
On or after the third anniversary, but before the fourth anniversary, of the Issuance Date of such Inactive Management Member's Operating Units	50%
On or after the fourth anniversary, but before the fifth anniversary, of the Issuance Date of such Inactive Management Member's Operating Units	25%
On or after the fifth anniversary of the Issuance Date of such Inactive Management Member's Operating Units	0%

(iii) Treatment of Value Units upon Death and Disability of a Management Member. In the event that a Management Member ceases to provide services to the Company or one of its Subsidiaries due to such Member's death or Disability, a percentage (determined in accordance with the following schedule) of the Value Units issued to such Inactive Management Member shall not be subject to forfeiture pursuant to Section 7.2(a)(ii):

<u>If death or Disability occurs</u>	Percentage of such Inactive Management Member's Value Units Not Subject to Forfeiture Pursuant to Section 7.2(a)(ii)
Before the second anniversary of the Issuance Date of such Inactive Management Member's Value Units	0%
On or after the second anniversary, but before the third anniversary, of the Issuance Date of such Inactive Management Member's Value Units	25%
On or after the third anniversary, but before the fourth anniversary, of the Issuance Date of such Inactive Management Member's Value Units	50%
On or after the fourth anniversary, but before the fifth anniversary, of the Issuance Date of such Inactive Management Member's Value Units	75%
On or after the fifth anniversary of the Issuance Date of such Inactive Management Member's Value Units	100%

(b) **Inactive Management Members.** If a Management Member ceases to provide services to or for the benefit of the Company or one of its Subsidiaries in connection with the termination of employment of such Member for any reason, the Common Units held by such Member shall cease to have voting rights and such Member shall be thereafter referred to herein as a "**Inactive Management Member**" with only the rights of an Inactive Management Member specified herein. Notwithstanding the foregoing, such Inactive Management Member shall continue to be treated as a Member (including, for the avoidance of doubt, for purposes of Article IX hereof).

(c) **Effect of Forfeiture.** Any Override Unit, which is forfeited, shall be cancelled for no consideration.

## ARTICLE VIII ALLOCATIONS

### **Section 8.1 Book Allocations of Net Income and Net Loss.**

(a) Except as provided in Section 8.2, Net Income and Net Loss of the Company shall be allocated among the Members' Capital Accounts as of the end of each Accounting Period or portion thereof in a manner that as closely as possible gives effect to the economic provisions of this Agreement.

(b) Except as otherwise provided in Section 8.2, all items of gross income, gain, loss and deduction included in the computation of Net Income and Net Loss shall be allocated in the same proportion as are Net Income and Net Loss.

### **Section 8.2 Special Book Allocations.**

(a) **Qualified Income Offset.** If any Member unexpectedly receives any adjustment, allocation or distribution described in Treasury Regulations section 1.704-1(b)(2)(ii)(d)(4), (5) or

(6) and such adjustment, allocation or distribution causes or increases a deficit in such Member's Capital Account in excess of its obligation to make additional Capital Contributions (a "**Deficit**"), items of gross income and gain for such Accounting Period and each subsequent Accounting Period shall be specifically allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit of such Member as quickly as possible; provided that an allocation pursuant to this Section 8.2(a) shall be made only if and to the extent that such Member would have a Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.2(a) were not in this Agreement. This Section 8.2(a) is intended to comply with the qualified income offset provision of Treasury Regulations section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(b) Notwithstanding anything to the contrary in this Agreement, items of gross income, gain, loss or deduction shall be specifically allocated to particular Members to the extent necessary to comply with applicable law (including the requirement to make "forfeiture allocations" within the meaning of Prop. Treas. Reg. Section 1.704-1(b)(4)(xii)).

(c) Restorative Allocations. Any special allocations of items of income or gain pursuant to this Section 8.2 shall be taken into account in computing subsequent allocations pursuant to this Agreement so that the net amount for any item so allocated and all other items allocated to each Member pursuant to this Agreement shall be equal, to the extent possible, to the net amount that would have been allocated to each Member pursuant to the provisions of this Agreement if such special allocations had not occurred.

**Section 8.3 Tax Allocations**. The income, gains, losses, credits and deductions recognized by the Company shall be allocated among the Members, for U.S. federal, state and local income tax purposes, to the extent permitted under the Code and the Treasury Regulations, in the same manner that each such item is allocated to the Members' Capital Accounts. Notwithstanding the foregoing, the Board shall have the power to make such allocations for U.S. federal, state and local income tax purposes so long as such allocations have substantial economic effect, or are otherwise in accordance with the Members' Interests, in each case within the meaning of the Code and the Treasury Regulations. Notwithstanding the previous sentence, in allocating income, gain, loss, credits, and deductions among the Members for U.S. federal, state, and local income tax purposes, the Board has discretion to: (1) disregard Section 7.1(c); and (2) compute Current Value by assuming that the price per Common Unit will equal the quotient obtained by dividing: (x) the aggregate capital accounts of all Members, by (y) the number of Common Units outstanding, including all Override Units issued and outstanding at the end of the taxable year, whether vested or unvested, other than Override Units (including without limitation, Value Units issued hereunder) that, by their terms would be forfeited in conjunction with the occurrence of an Exit Event if they did not become eligible to participate in distributions pursuant to Section 7.1(b) upon the occurrence of the Exit Event. In accordance with section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for U.S. federal income tax purposes and its Book Value.



**ARTICLE IX  
DISTRIBUTIONS**

**Section 9.1 Distributions Generally.**

(a) The Company may make distributions to the Members to the extent that the cash available to the Company is in excess of the reasonably anticipated needs of the business (including reserves). In determining the amount distributable to each Member, the provisions of this Section 9.1 shall be applied in an iterative manner.

(b) Subject to Section 9.1(c) and (d), any such distributions shall be made to the Members in proportion to the number of Units held by each Member as of the time of such distribution.

(c) The amount of any proposed distribution to a holder of any Override Unit pursuant to Section 9.1(b) in respect of such Override Unit shall be reduced until the total reductions in proposed distributions pursuant to this Section 9.1(c) in respect of such Override Unit equals the Benchmark Amount in respect of such Override Unit. Any amount that is not distributed to the holder of any Override Unit pursuant to this Section 9.1(c) shall be distributed pursuant to Section 9.1(b) and shall remain subject to this Section 9.1(c).

(d) In the event that pursuant to Section 7.1(b) a Value Unit was not previously entitled to participate in an actual distribution made by the Company under Section 9.1(b) but under the terms of Section 7.1(b) such Value Unit is currently entitled to participate in distributions, then Section 9.1(b) notwithstanding, any distributions by the Company shall be made 100% to the holder of such Value Unit in respect of such Value Unit until the total distributions made pursuant to this Section 9.1(d) in respect of such Value Unit equal the total distributions that would have been made in respect of such Value Unit if such Value Unit (and any other Value Units currently entitled to participate in distributions) had at all times been entitled to participate in distributions to the extent set forth in Section 7.1(b). In the event that this Section 9.1(d) applies to two or more Value Units at the same time, the distributions contemplated by this Section 9.1(d) shall be made in respect of each such Value Unit in proportion to the amounts distributable under this Section 9.1(d) in respect of each such Value Unit. For the avoidance of doubt, this Section 9.1(d) shall not apply to any Value Unit that is forfeited. The Board shall have the power in its sole discretion to make adjustments to the operation of this Section 9.1(d) if the Board determines in its sole discretion that such adjustments will further the intent of this Section 9.1(d).

**Section 9.2 Distributions In Kind.** In the event of a distribution of Company property, such property shall for all purposes of this Agreement be deemed to have been sold at its Fair Market Value and the proceeds of such sale shall be deemed to have been distributed to the Members.

**Section 9.3 No Withdrawal of Capital.** Except as otherwise expressly provided in Article XIII, no Member shall have the right to withdraw capital from the Company or to receive any distribution or return of such Member's Capital Contributions.

**Section 9.4 Withholding.**

(a) Each Member shall, to the fullest extent permitted by applicable law, indemnify and hold harmless each Person who is or who is deemed to be the responsible withholding agent for U.S. federal, state or local income tax purposes against all claims, liabilities and expenses of whatever nature (other than any claims, liabilities and expenses in the nature of penalties and accrued interest thereon that result from such Person's fraud, willful misfeasance, bad faith or gross negligence) relating to such Person's obligation to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or as a result of such Member's participation in the Company.

(b) Notwithstanding any other provision of this Article IX, (i) each Member hereby authorizes the Company to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or any of its Affiliates with respect to such Member or as a result of such Member's participation in the Company and (ii) if and to the extent that the Company shall be required to withhold or pay any such taxes (including any amounts withheld from amounts payable to the Company to the extent attributable, in the judgment of the Members, to such Member's Interest), such Member shall be deemed for all purposes of this Agreement to have received a payment from the Company as of the time such withholding or tax is required to be paid, which payment shall be deemed to be a distribution with respect to such Member's Interest to the extent that the Member (or any successor to such Member's Interest) is then entitled to receive a distribution. To the extent that the aggregate of such payments to a Member for any period exceeds the distributions to which such Member is entitled for such period, such Member shall make a prompt payment to the Company of such amount. It is the intention of the Members that no amounts will be includible as compensation income to any Management Member, or will give rise to any withholding taxes imposed on compensation income, for United States federal income tax purposes as a result of the receipt, vesting or disposition of, or lapse of any restriction with respect to, any Override Units granted to such Member.

(c) If the Company makes a distribution in kind and such distribution is subject to withholding or other taxes payable by the Company on behalf of any Member, such Member shall make a prompt payment to the Company of the amount of such withholding or other taxes by wire transfer.

**Section 9.5 Restricted Distributions.** Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Interest if such distribution would violate Section 18-607 of the Delaware Act or other applicable law.

**Section 9.6 Tax Distributions.** In the event that the Company sells an equity interest in a Subsidiary, resulting in taxable income being recognized by the Members, or the Members are otherwise allocated taxable income from the Company (in each case, other than upon an Exit Event), the Company may make distributions to the Members to the extent of available cash (as determined by the Board in its discretion) in an amount equal to such income multiplied by a reasonable tax rate determined by the Board; it being understood that, if the Members are allocated material taxable income without corresponding cash distributions sufficient to pay the resulting tax liabilities, it is the Company's intention to make the tax distributions referred to

herein; provided that the Board in its sole discretion shall determine whether any such tax distributions will be made. Any distributions made to a Member pursuant to this Section 9.6 shall reduce the amount otherwise distributable to such Member pursuant to the other provisions of this Agreement, so that to the maximum extent possible, the total amount of distributions received by each Member pursuant to this Agreement at any time is the same as such Member would have received if no distribution had been made pursuant to this Section 9.6. To the extent the cumulative sum of tax distributions made to a Member under this Section 9.6 has not been applied pursuant to the preceding sentence to reduce other amounts distributable to such Member, such Member shall contribute to the Company the remaining amounts necessary to give full effect to the preceding sentence on the date of the final liquidating distribution made by the Company pursuant to Section 13.2.

**ARTICLE X**  
**BOOKS AND RECORDS**

**Section 10.1 Books, Records and Financial Statements.** At all times during the continuance of the Company, the Company shall maintain, at its principal place of business, separate books of account for the Company that shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received and all U.S. income derived in connection with the operation of the Company's business in accordance with generally accepted accounting principles consistently applied, and, to the extent inconsistent therewith, in accordance with this Agreement. Such books of account, together with a copy of this Agreement and the Certificate, shall at all times be maintained at the principal place of business of the Company and shall be open to inspection and examination at reasonable times and upon reasonable notice by each Member and its duly authorized representative for any purpose reasonably related to such Member's Interest; provided that the Company may maintain the confidentiality of Schedule A.

**Section 10.2 Filings of Returns and Other Writings; Tax Matters Partner.**

(a) The Company shall timely file all Company tax returns and shall timely file all other writings required by any governmental authority having jurisdiction to require such filing. Within 90 days after the end of each taxable year (or as soon as reasonably practicable thereafter), the Company shall send to each Person that was a Member at any time during such year copies of Schedule K-1, "Partner's Share of Income, Credits, Deductions, Etc.", or any successor schedule or form, with respect to such Person, together with such additional information as may be necessary for such Person to file his, her or its United States federal income tax returns.

(b) GSCP Onshore shall be the tax matters partner of the Company, within the meaning of section 6231 of the Code (the "**Tax Matters Partner**") unless a Majority in Interest votes otherwise. Each Member hereby consents to such designation and agrees that upon the request of the Tax Matters Partner, such Member will execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent.

(c) Promptly following the written request of the Tax Matters Partner, the Company shall, to the fullest extent permitted by applicable law, reimburse and indemnify the Tax Matters Partner for all reasonable expenses, including reasonable legal and accounting fees, claims, liabilities, losses and damages incurred by the Tax Matters Partner in connection with any administrative or judicial proceeding with respect to the tax liability of the Members, except to the extent arising from the bad faith, gross negligence, willful violation of law, fraud or breach of this Agreement by such Tax Matters Partner.

(d) The provisions of this Section 10.2 shall survive the termination of the Company or the termination of any Member's Interest and shall remain binding on the Members for as long a period of time as is necessary to resolve with the Internal Revenue Service any and all matters regarding the U.S. federal income taxation of the Company or the Members.

**Section 10.3 Accounting Method.** For both financial and tax reporting purposes, the books and records of the Company shall be kept on the accrual method of accounting applied in a consistent manner and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

## ARTICLE XI

### LIABILITY, EXCULPATION AND INDEMNIFICATION

**Section 11.1 Liability.** Except as otherwise provided by the Delaware Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

**Section 11.2 Exculpation.** No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence, willful misconduct or willful breach of this Agreement.

**Section 11.3 Fiduciary Duty.** Any duties (including fiduciary duties) of a Covered Person to the Company or to any other Covered Person that would otherwise apply at law or in equity are hereby eliminated to the fullest extent permitted under the Delaware Act and any other applicable law; provided that (a) the foregoing shall not eliminate the obligation of each Covered Person to act in compliance with the express terms of this Agreement and (b) the foregoing shall not be deemed to eliminate the implied contractual covenant of good faith and fair dealing. Notwithstanding anything to the contrary contained in this Agreement, each of the Members hereby acknowledges and agrees that each of the Directors, in determining whether or not to vote in support of or against any particular decision for which the Board's consent is required, may act in and consider the best interest of the Member who designated such Director and shall not be

required to act in or consider the best interests of the Company or the other Members or parties hereto.

**Section 11.4 Indemnification.** To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence, willful misconduct or willful breach of this Agreement with respect to such acts or omissions; provided, that any indemnity under this Section 11.4 shall be provided out of and to the extent of Company assets only, and no Covered Person shall have any personal liability on account thereof.

**Section 11.5 Expenses.** To the fullest extent permitted by applicable law, expenses (including, without limitation, reasonable attorneys' fees, disbursements, fines and amounts paid in settlement) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding relating to or arising out of their performance of their duties on behalf of the Company shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Covered Person is not entitled to be indemnified as authorized in this Section 11.5.

**Section 11.6 Severability.** To the fullest extent permitted by applicable law, if any portion of this Article shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify each Director or Officer and may indemnify each employee or agent of the Company as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Company, to the fullest extent permitted by any applicable portion of this Article that shall not have been invalidated.

## ARTICLE XII

### TRANSFERS OF INTERESTS

**Section 12.1 Restrictions on Transfers of Interests by Members.** No Member may Transfer any Interests including, without limitation, to any other Member, or by gift, or by operation of law or otherwise; provided that, subject to Section 12.2(b) and Section 12.2(c), Interests may be Transferred by a Member (i) pursuant to Section 12.3 ("Estate Planning Transfers, Transfers Upon Death of a Management Member"), (ii) in accordance with Section 12.4 ("Involuntary Transfers"), or (iii) pursuant to the prior written approval of each of the Board and CA, in each case, in its sole discretion. Notwithstanding the forgoing, Interests may be Transferred by an Investor Member to an Affiliate of such Transferring Investor Member without the approval of the Board or CA.

**Section 12.2 Overriding Provisions.**

(a) Any Transfer in violation of this Article XII shall be null and void ab initio, and the provisions of Section 12.2(e) shall not apply to any such Transfers. The approval of any Transfer in any one or more instances shall not limit or waive the requirement for such approval in any other or future instance.

(b) All Transfers permitted under this Article XII are subject to this Section 12.2 and Sections 12.5 and 12.6.

(c) Any proposed Transfer by a Member pursuant to the terms of this Article XII shall, in addition to meeting all of the other requirements of this Agreement, satisfy the following conditions: (i) the Transfer will not be effected on or through an “established securities market” or a “secondary market or the substantial equivalent thereof,” as such terms are used in Treasury Regulations section 1.7704-1, and, at the request of the Board, the transferor and the transferee will have each provided the Company a certificate to such effect; and (ii) the proposed transfer will not result in the Company having more than 99 Members, within the meaning of Treasury Regulations section 1.7704-1(h)(1) (determined pursuant to the rules of Treasury Regulations section 1.7704-1(h)(3)). The Board may in its sole discretion waive the condition set forth in clause (ii) of this Section 12.2(c).

(d) The Company shall promptly amend Schedule A to reflect any permitted transfers of Interests pursuant to and in accordance with this Article XII.

(e) The Company shall, from the effective date of any permitted assignment of an Interest (or part thereof), thereafter pay all further distributions on account of such Interest (or part thereof) to the assignee of such Interest (or part thereof); provided that such assignee shall have no right or powers as a Member unless such assignee complies with Section 12.6.

**Section 12.3 Estate Planning Transfers; Transfers upon Death of a Management Member.** Interests held by Management Members may be transferred for estate-planning purposes of such Management Member, to (A) a trust under which the distribution of the Interests may be made only to beneficiaries who are such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants, (B) a charitable remainder trust, the income from which will be paid to such Management Member during his or her life, (C) a corporation, the shareholders of which are only such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants or (D) a partnership or limited liability company, the partners or members of which are only such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants. Interests may be transferred as a result of the laws of descent; provided that, in each such case, such Management Member provides prior written notice to the Board of such proposed Transfer and makes available to the Board documentation, as the Board may reasonably request, in order to verify such Transfer.

**Section 12.4 Involuntary Transfers.** Any transfer of title or beneficial ownership of Interests upon default, foreclosure, forfeit, divorce, court order or otherwise than by a voluntary

decision on the part of a Management Member or Outside Member (each, an "**Involuntary Transfer**") shall be void unless such Management Member or Outside Member complies with this Section 12.4 and enables the Company to exercise in full its rights hereunder. Upon any Involuntary Transfer, the Company shall have the right to purchase such Interests pursuant to this Section 12.4 and the Person to whom such Interests have been Transferred (the "**Involuntary Transferee**") shall have the obligation to sell such Interests in accordance with this Section 12.4. Upon the Involuntary Transfer of any Interest, such Management Member or Outside Member shall promptly (but in no event later than two days after such Involuntary Transfer) furnish written notice to the Company indicating that the Involuntary Transfer has occurred, specifying the name of the Involuntary Transferee, giving a detailed description of the circumstances giving rise to, and stating the legal basis for, the Involuntary Transfer. Upon the receipt of the notice described in the preceding sentence, and for 60 days thereafter, the Company shall have the right to purchase, and the Involuntary Transferee shall have the obligation to sell, all (but not less than all) of the Interests acquired by the Involuntary Transferee for a purchase price equal to the lesser of (i) the Fair Market Value of such Interest and (ii) the amount of the indebtedness or other liability that gave rise to the Involuntary Transfer plus the excess, if any, of the Carrying Value of such Interests over the amount of such indebtedness or other liability that gave rise to the Involuntary Transfer. Notwithstanding anything to the contrary, any Involuntary Transfer of Override Units shall result in the immediate forfeiture of such Override Units and without any compensation therefor, and such Involuntary Transferee shall have no rights with respect to such Override Units.

**Section 12.5 Assignments.**

(a) **Assignment Generally.** The provisions of this Agreement shall be binding upon and inure to the benefit of the Members hereto and their respective heirs, legal representatives, successors and assigns; provided that no Non-Investor Member may assign any of its rights or obligations hereunder without the consent of GSCP unless such assignment is in connection with a Transfer explicitly permitted by this Agreement and, prior to such assignment, such assignee complies with the requirements of Section 12.6.

**Section 12.6 Substitute Members.** In the event any Non-Investor Member or Investor Member Transfers its Interest in compliance with the other provisions of this Article XII (other than Section 12.4), the transferee thereof shall have the right to become a substitute Non-Investor Member or substitute Investor Member, as the case may be, but only upon satisfaction of the following:

(a) execution of such instruments as the Board deems reasonably necessary or desirable to effect such substitution; and

(b) acceptance and agreement in writing by the transferee of the Member's Interest to be bound by all of the terms and provisions of this Agreement and assumption of all obligations under this Agreement (including breaches hereof) applicable to the transferor and in the case of a transferee of a Management Member who resides in a state with a community property system, such transferee causes his or her spouse, if any, to execute a Spousal Waiver in the form of Exhibit A attached hereto. Upon the execution of the instrument of assumption by such transferee and, if applicable, the Spousal Waiver by the spouse of such transferee, such

transferee shall enjoy all of the rights and shall be subject to all of the restrictions and obligations of the transferor of such transferee.

**Section 12.7 Release of Liability.** In the event any Member shall sell such Member's entire Interest (other than in connection with an Exit Event) in compliance with the provisions of this Agreement, including, without limitation, pursuant to the penultimate sentence of Section 12.4, without retaining any interest therein, directly or indirectly, then the selling Member shall, to the fullest extent permitted by applicable law, be relieved of any further liability arising hereunder for events occurring from and after the date of such Transfer.

### ARTICLE XIII

#### DISSOLUTION, LIQUIDATION AND TERMINATION

**Section 13.1 Dissolving Events.** The Company shall be dissolved and its affairs wound up in the manner hereinafter provided upon the happening of any of the following events:

(a) the Board and the Members shall vote or agree in writing to dissolve the Company pursuant to the required votes set forth in Section 3.3(d) and Section 4.3, respectively; or

(b) any event which, under applicable law, would cause the dissolution of the Company; provided that, unless required by applicable law, the Company shall not be wound up as a result of any such event and the business of the Company shall continue.

Notwithstanding the foregoing, the death, retirement, resignation, expulsion, bankruptcy or dissolution of any Member or the occurrence of any other event that terminates the continued membership of any Member in the Company under the Delaware Act shall not, in and of itself, cause the dissolution of the Company. In such event, the remaining Member(s) shall continue the business of the Company without dissolution.

**Section 13.2 Dissolution and Winding-Up.** Upon the dissolution of the Company, the assets of the Company shall be liquidated or distributed under the direction of, and to the extent determined by, the Board, and the business of the Company shall be wound up. Within a reasonable time after the effective date of dissolution of the Company, the Company's assets shall be distributed in the following manner and order:

**First**, to creditors in satisfaction of indebtedness (other than any loans or advances that may have been made by any of the Members to the Company), whether by payment or the making of reasonable provision for payment, and the expenses of liquidation, whether by payment or the making of reasonable provision for payment, including the establishment of reasonable reserves (which may be funded by a liquidating trust) determined by the Board or the liquidating trustee, as the case may be, to be reasonably necessary for the payment of the Company's expenses, liabilities and other obligations (whether fixed, conditional, unmatured or contingent);

**Second**, to the payment of loans or advances that may have been made by any of the Members to the Company; and



Third, to the Members in accordance with Section 9.1, taking into account any amounts previously distributed under Section 9.1;

provided that no payment or distribution in any of the foregoing categories shall be made until all payments in each prior category shall have been made in full, and provided, further, that, if the payments due to be made in any of the foregoing categories exceed the remaining assets available for such purpose, such payments shall be made to the Persons entitled to receive the same pro rata in accordance with the respective amounts due to them.

**Section 13.3 Distributions in Cash or in Kind.** Upon the dissolution of the Company, the Board shall use all commercially reasonable efforts to liquidate all of the Company's assets in an orderly manner and apply the proceeds of such liquidation as set forth in Section 13.2; provided that, if in the good faith judgment of the Board, a Company asset should not be liquidated, the Board shall cause the Company to allocate, on the basis of the Fair Market Value of any Company assets not sold or otherwise disposed of, any unrealized gain or loss based on such value to the Members' Capital Accounts as though the assets in question had been sold on the date of distribution and, after giving effect to any such adjustment, distribute such assets in accordance with Section 13.2 as if such Fair Market Value had been received in cash, subject to the priorities set forth in Section 13.2, and provided, further, that the Board shall in good faith attempt to liquidate sufficient Company assets to satisfy in cash (or make reasonable provision for) the debts and liabilities referred to in Section 13.2.

**Section 13.4 Termination.** The Company shall terminate when the winding up of the Company's affairs has been completed, all of the assets of the Company have been distributed and the Certificate has been canceled, all in accordance with the Delaware Act.

**Section 13.5 Claims of the Members.** The Members and former Members shall look solely to the Company's assets for the return of their Capital Contributions, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities and obligations of the Company are insufficient to return such Capital Contributions, the Members and former Members shall have no recourse against the Company or any other Member.

#### ARTICLE XIV MISCELLANEOUS

**Section 14.1 Notices.** All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(a) If to the Company:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: John J. Lipinski  
Facsimile No.: 913-981-0000

with copies (which shall not constitute notice) to:

GS Capital Partners V Fund, L.P.  
c/o Goldman, Sachs & Co.  
85 Broad Street  
New York, New York 10004  
Attention: Kenneth Pontarelli  
Facsimile No.: 212-357-5505

and

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000

and

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

(b) If to a Member, at the address set forth opposite such Member's name on Schedule A attached hereto, or at such other address as such Member may hereafter designate by written notice to the Company.

All such notices, requests, demands, waivers and other communications shall be deemed to have been received by (w) if by personal delivery, on the day delivered, (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

**Section 14.2 Securities Act Matters.** Each Member understands that, in addition to the restrictions on transfer contained in this Agreement, he or she must bear the economic risks of his or her investment for an indefinite period because the interests have not been registered under the Securities Act.

**Section 14.3 Headings.** The headings to sections in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

**Section 14.4 Entire Agreement.** This Agreement constitutes the entire agreement among the Members with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to the matters referred to herein. There are no representations, warranties, promises, inducements, covenants or undertakings relating to the Units, other than those expressly set forth or referred to herein.

**Section 14.5 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

**Section 14.6 Governing Law; Attorneys' Fees.** This Agreement and the rights and obligations of the Members hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof. The substantially prevailing party in any action or proceeding relating to this Agreement shall be entitled to receive an award of, and to recover from the other party or parties, any fees or expenses incurred by him, her or it (including, without limitation, reasonable attorneys' fees and disbursements) in connection with any such action or proceeding.

**Section 14.7 Waivers.** Except as may otherwise be provided by applicable law in connection with the winding-up, liquidation and dissolution of the Company, each Member hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Company's property.

Waiver by any Member hereto of any breach or default by any other Member of any of the terms of this Agreement shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the Members hereto or from any failure by any Member to assert its or his or her rights hereunder on any occasion or series of occasions.

EACH MEMBER HEREBY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR THE BREACH, TERMINATION OR VALIDITY OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**Section 14.8 Invalidity of Provision.** The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

**Section 14.9 Further Actions.** Each Member shall execute and deliver such other certificates, agreements and documents, and take such other actions, as may reasonably be requested by the Company in connection with the continuation of the Company and the

achievement of its purposes, including, without limitation, (a) any documents that the Company deems necessary or appropriate to continue the Company as a limited liability company in all jurisdictions in which the Company or its Subsidiaries conduct or plan to conduct business and (b) all such agreements, certificates, tax statements and other documents as may be required to be filed in respect of the Company.

**Section 14.10 Amendments.**

(a) Subject to the amendment provisions of Section 12.10(a), this Agreement may not be amended, modified or supplemented except by a written instrument signed by each of the Investor Members; provided, however, that the Board may make such modifications to this Agreement, including Schedule A, as are necessary to admit Additional Members who are admitted in accordance with Sections 3.2, 3.6, 6.2 and 12.2. Notwithstanding the foregoing, no amendment, modification or supplement shall adversely affect the Management Members as a class without the consent of a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by a proposed amendment, modification or supplement, by such Management Member; provided, further, that, in either case, no such consent shall be required for (i) any amendments, modifications or supplements to Article IV or (ii) for the issuance of additional Units pursuant to Section 3.2. The Company shall notify all Members after any such amendment, modification or supplement, other than any amendments to Schedule A, as permitted herein, has taken effect.

(b) Notwithstanding 14.10(a), each Member shall, and shall cause each of its Affiliates and transferees to, take any action requested by the GSCP Member that is designed to comply with the finalization of proposed Treasury Regulations relating to the issuance of partnership equity for services and any other Treasury Regulation, Revenue Procedure, or other guidance issued with respect thereto. Without limiting the foregoing, such action may include authorizing the Company to make any election, agreeing to any condition imposed on such Member, its Affiliates or its transferee, executing any amendment to this Agreement or other agreements, executing any new agreement, and agreeing not to take any contrary position on any tax return or other filing.

**Section 14.11 No Third Party Beneficiaries.** Except as otherwise provided herein, this Agreement is not intended to confer upon any Person, except for the parties hereto, any rights or remedies hereunder; provided, however, that CA is an express third party beneficiary of Sections 3.2, 3.6, 12.1 and 12.2(a), with a direct right of enforcement.

**Section 14.12 Injunctive Relief.** The Units cannot readily be purchased or sold in the open market, and for that reason, among others, the Company and the Members will be irreparably damaged in the event this Agreement is not specifically enforced. Each of the Members therefore agrees that, in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which the Company or any Member may have. Each Member hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts in New York for the

purposes of any suit, action or other proceeding arising out of, or based upon, this Agreement or the subject matter hereof. Each Member hereby consents to service of process made in accordance with Section 14.1.

**Section 14.13 Power of Attorney.** Each Member hereby constitutes and appoints GSCP as his or her true and lawful joint representative and attorney-in-fact in his or her name, place and stead to make, execute, acknowledge, record and file the following:

(a) any amendment to the Certificate which may be required by the laws of the State of Delaware because of:

(i) any duly made amendment to this Agreement; or

(ii) any change in the information contained in such Certificate, or any amendment thereto;

(b) any other certificate or instrument which may be required to be filed by the Company under the laws of the State of Delaware or under the applicable laws of any other jurisdiction in which counsel to the Company determines that it is advisable to file;

(c) any certificate or other instrument which GSCP or the Board deems necessary or desirable to effect a termination and dissolution of the Company which is authorized under this Agreement;

(d) any amendments to this Agreement, duly adopted in accordance with the terms of this Agreement; and

(e) any other instruments that GSCP or the Board may deem necessary or desirable to carry out fully the provisions of this Agreement; provided, however, that any action taken pursuant to this power shall not, in any way, increase the liability of the Members beyond the liability expressly set forth in this Agreement, and provided, further, that, where action by a majority of the Board is required, such action shall have been taken.

Such attorney-in-fact is not by the provisions of this Section 14.13 granted any authority on behalf of the undersigned to amend this Agreement, except as provided for in this Agreement. Such power of attorney is coupled with an interest and shall continue in full force and effect notwithstanding the subsequent death or incapacity of the Member granting such power of attorney.

## ARTICLE XV DEFINED TERMS

### **Section 15.1 Definitions.**

“Accounting Period” means, for the first Accounting Period, the period commencing on the date hereof and ending on the next Adjustment Date. All succeeding Accounting Periods shall commence on the day after an Adjustment Date and end on the next Adjustment Date.

“Additional Member” has the meaning given in Section 3.6(a).

“Adjustment Date” means the last day of each fiscal year of the Company or any other date determined by the Board, in its sole discretion, as appropriate for an interim closing of the Company’s books.

“Affiliate” means, with respect to a specified Person, any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the specified Person. As used in this definition, the term “control” 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 ownership of voting securities, by contract or otherwise.

“Agreement” means this First Amended and Restated Limited Liability Company Agreement of the Company, as this agreement may be amended, modified, supplemented or restated from time to time after the date hereof.

“Benchmark Amount” means the amount set with respect to an Override Unit pursuant to Section 7.1(e).

“Board” has the meaning given in Section 4.1(a).

“Book Value” means with respect to any asset, the asset’s adjusted basis for U.S. federal income tax purposes, except as follows: (i) the Book Value of any asset contributed or deemed contributed by a Member to the Company shall be the gross fair market value of such asset at the time of contribution as reasonably determined by the Board; (ii) the Book Value of any asset distributed or deemed distributed by the Company to any Member shall be adjusted immediately prior to such distribution to equal its gross fair market value at such time as reasonably determined by the Board; (iii) the Book Values of all Company assets may be adjusted in the discretion of the Board to equal their respective gross fair market values, as reasonably determined by the Board as of (1) the date of the acquisition of an additional interest in the Company by any new or existing Member in exchange for a contribution to the capital of the Company; or (2) upon the liquidation of the Company (including upon interim liquidating distributions), or the distribution by the Company to a retiring or continuing Member of money or other Company property in reduction of such Member’s interest in the Company; (iv) any adjustments to the adjusted basis of any asset of the Company pursuant to Sections 734 or 743 of the Code shall be taken into account in determining such asset’s Book Value in a manner consistent with Treasury Regulation Section 1.704-1(b)(2)(iv)(m); and (v) if the Book Value of an asset has been determined pursuant to clause (i) or adjusted pursuant to clauses (iii) or (iv) above, to the extent and in the manner permitted in the Treasury Regulations, adjustments to such Book Value for depreciation and amortization with respect to such asset shall be calculated by reference to Book Value, instead of tax basis.

“CA” has the meaning given in the recitals to this Agreement.

“Capital Account” has the meaning given in Section 6.1.

“Capital Contribution” means, for any Member, the total amount of cash and the Fair Market Value of any property contributed to the Company by such Member.

“Carrying Value” means, with respect to any Interest purchased by the Company, the value equal to the Capital Contribution, if any, made by the selling Management Member in respect of any such Interest less the amount of distributions made in respect of such Interest.

“Certificate” means the Certificate of Formation of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the office of the Secretary of State of the State of Delaware pursuant to the Delaware Act.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Units” means a class of Interests in the Company, as described in Section 3.2(a). For the avoidance of doubt, Common Units shall not include Override Units.

“Company” has the meaning given in the introductory paragraph to this Agreement.

“Covered Person” means a current or former Member or Director, an Affiliate of a current or former Member or Director, any officer, director, shareholder, partner, member, employee, advisor, representative or agent of a current or former Member or Director or any of their respective Affiliates, or any current or former officer, employee or agent of the Company or any of its Affiliates.

“Current Value” means, as of any given time, the sum of (A) the aggregate amount of distributions pursuant to Section 9.1 received by the Investor Members prior to such time (including, for the avoidance of doubt, any portion of any distribution with respect to which Current Value is being determined) in respect of Common Units plus (B) if such distribution is to be made in connection with an Exit Event the product of (i) the aggregate amount per Common Unit of distributions pursuant to Section 9.1 to be received by the Investor Members upon such Exit Event, which shall be determined assuming that all Override Units issued and outstanding at the date of the Exit Event (but excluding, any Override Units (including, without limitation, Value Units issued hereunder), which, by their terms, would be forfeited in conjunction with the occurrence of such Exit Event if they did not become eligible to participate in distributions pursuant to Section 7.1(b) upon the occurrence of the Exit Event) are treated as if they were Common Units immediately prior to the Exit Event and (ii) the Investor Member Units outstanding as of the occurrence of such Exit Event.

“Deficit” has the meaning given in Section 8.2(a).

“Delaware Act” means the Delaware Limited Liability Company Act, 6 Del. C. §18-101, et seq., as amended from time to time.

“Director” has the meaning given in Section 4.1(a).

“Disability” means, with respect to a Management Member, the termination of the employment of any Management Member by the Company or any Subsidiary of the Company that employs such individual (or by the Company on behalf of any such Subsidiary) as a result of

such Management Member's incapacity due to reasonably documented physical or mental illness that shall have prevented such Management Member from performing his or her duties for the Company on a full-time basis for more than six months and within 30 days after written notice has been given to such Management Member, such Management Member shall not have returned to the full time performance of his or her duties, in which case the date of termination shall be deemed to be the last day of the aforementioned 30-day period; provided that, in the case of any Management Member who, as of the date of determination, is party to an effective services, severance or employment agreement with the Company, "Disability" shall have the meaning, if any, specified in such agreement.

"Exit Event" means a transaction or a combination or series of transactions (other than an Initial Public Offering) resulting in:

- (a) the sale, transfer or other disposition by the Investor Members to one or more Persons that are not, immediately prior to such sale, Affiliates of the Company or any Investor Member of all of the Interests of the Company beneficially owned by the Investor Members as of the date of such transaction; or
- (b) the sale, transfer or other disposition of all of the assets of the Company and its Subsidiaries, taken as a whole, to one or more Persons that are not, immediately prior to such sale, transfer or other disposition, Affiliates of the Company or any Investor Member.

"Fair Market Value" means, as of any date,

- (a) for purposes of determining the value of any property owned by, contributed to or distributed by the Company, (i) in the case of publicly-traded securities, the average of their last sales prices on the applicable trading exchange or quotation system on each trading day during the five trading-day period ending on such date and (ii) in the case of any other property, the fair market value of such property, as determined in good faith by the Board; or
- (b) for purposes of determining the value of any Member's Interest in connection with Section 12.4 ("Involuntary Transfers"), (i) the fair market value of such Interest as reflected in the most recent appraisal report prepared, at the request of the Board, by an independent valuation consultant or appraiser of recognized national standing, reasonably satisfactory to the Board, or (ii) in the event no such appraisal exists or the date of such report is more than one year prior to the date of determination, the fair market value of such Interest as determined in good faith by the Board.

"GSCP" means GSCP Onshore, together with GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GSCP Institutional and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

"GSCP Director" means a Director appointed or designated for election solely by GSCP.



“GSCP Institutional” means GS Capital Partners V Institutional, L.P., a Delaware limited partnership.

“GSCP Member” has the meaning given in the introductory paragraph to this Agreement.

“GSCP Onshore” means GS Capital Partners V Fund, L.P., a Delaware limited partnership.

“Inactive Management Member” has the meaning given in Section 7.2(b).

“Initial Price” means the product of (i) the Investor Members’ average cost per each Investor Member Unit times (ii) the total number of Investor Member Units.

“Initial Public Offering” or “IPO” means the first underwritten public offering of the common stock of a successor corporation to the Company or a Subsidiary of the Company to the general public through a registration statement filed with the Securities and Exchange Commission that covers (together with prior effective registrations) (i) not less than 25% of the then outstanding shares of common stock of such successor corporation or such Subsidiary of the Company on a fully diluted basis or (ii) shares of such successor corporation or such Subsidiary of the Company that will be traded on any of the New York Stock Exchange, the American Stock Exchange or the National Association of Securities Dealers Automated Quotation System after the close of any such general public offering.

“Issuance Date” means, with respect to any Interest, the earlier of (i) the date such Interest was issued and (ii) if such Interest was issued in exchanged for a redeemed Interest (as such term is defined in the Second Amended and Restated Limited Liability Company Agreement of CA, dated as of July 25, 2005) of CA, the date on which such redeemed Interest of CA was issued.

“Interest” means a limited liability interest in the Company, which represents the interest of each Member in and to the profits and losses of the Company and such Member’s right to receive distributions of the Company’s assets, as set forth in this Agreement.

“Investor Member Units” means the aggregate member of Units held by the Investor Members at the time of measurement.

“Investor Members” has the meaning given in the introductory paragraph to this Agreement.

“Involuntary Transfer” has the meaning given in Section 12.4.

“Involuntary Transferee” has the meaning given in Section 12.4.

“Majority in Interest” means, as of any given record date or other applicable time, the holders of a majority of the outstanding Units held by Members as of such date that are entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members.

“**Management Member**” has the meaning given in the introductory paragraph to this Agreement. A Management Member shall be deemed not to be a “manager” within the meaning of the Delaware Act (except to the extent Section 4.1(b) applies).

“**Member**” has the meaning given in the introductory paragraph to this Agreement and includes (i) any Person admitted as an additional or substitute Member of the Company pursuant to this Agreement and (ii) for the avoidance of doubt, Inactive Management Members.

“**Net Income**” and “**Net Loss**” mean, respectively, for any period the taxable income and taxable loss of the Company for the period as determined for U.S. federal income tax purposes, provided that for the purpose of determining Net Income and Net Loss (and for purposes of determining items of gross income, loss, deduction and expense in applying Sections 8.1 and 8.2, but not for income tax purposes): (i) there shall be taken into account any items required to be separately stated under Section 703(a) of the Code, (ii) any income of the Company that is exempt from federal income taxation and not otherwise taken into account in computing Net Income and Net Loss shall be added to such taxable income or loss; (iii) if the Book Value of any asset differs from its adjusted tax basis for federal income tax purposes, any depreciation, amortization or gain or loss resulting from a disposition of such asset shall be calculated with reference to such Book Value; (iv) upon an adjustment to the Book Value of any asset, pursuant to the definition of Book Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (v) any expenditure of the Company described in Section 705(a)(2)(B) of the Code or treated as such an expenditure pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition, shall be subtracted from such taxable income or loss; (vi) to the extent an adjustment to the adjusted tax basis of any asset included in Company property pursuant to Section 734(b) of the Code is required pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for the purposes of computing Net Income and Net Loss; and (vii) items allocated pursuant to Section 8.2 shall not be taken into account in computing Net Income or Net Loss.

“**Non-Investor Member**” has the meaning given in the introductory paragraph to this Agreement.

“**Officers**” has the meaning given in Section 4.11.

“**Operating Unit**” means a sub-class of Override Units, as described in Section 3.2(b).

“**Original LLC Agreement**” has the meaning given in the recitals to this Agreement.

“**Outside Member**” has the meaning given in the introductory paragraph to this Agreement

“**Override Units**” means a class of Interest in the Company, as described in Section 3.2(b).

“Person” means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

“resignation for Good Reason” means a voluntary termination of a Management Member’s employment with the Company or any Subsidiary of the Company that employs such individual as a result of either of the following:

- (a) without the Management Member’s prior written consent, a reduction by the Company or any such Subsidiary of his or her current salary, other than any such reduction which is part of a general salary reduction or other concessionary arrangement affecting all employees or affecting the group of employees of which the Management Member is a member (after receipt by the Company of written notice from such Management Member and a 20-day cure period); or
- (b) the taking of any action by the Company or any such Subsidiary that would substantially diminish the aggregate value of the benefits provided him or her under the Company’s or such Subsidiary’s accident, disability, life insurance and any other employee benefit plans in which he or she was participating on the date of his or her execution of this Agreement, other than any such reduction which is (i) required by law, (ii) implemented in connection with a general concessionary arrangement affecting all employees or affecting the group of employees of which the Management Member is a member, (iii) generally applicable to all beneficiaries of such plans (after receipt by the Company of written notice and a 20-day cure period) or (iv) in accordance with the terms of any such plan.

or, if such Management Member is a party to a services, severance or employment agreement with the Company, the meaning as set forth in such services or employment agreement.

“Retirement” means the termination of a Management Member’s employment on or after the date the Management Member attains age 65. Notwithstanding the foregoing, (i) with respect to any Management Member who is a party to a services or employment agreement with the Company, “Retirement” shall have the meaning, if any, specified in such Management Member’s services, severance or employment agreement and (ii) in the event a Management Member whose employment with the Company terminates due to Retirement continues to serve as a Director, or of a consultant to, the Company, such Management Member’s employment with the Company shall not be deemed to have terminated for purposes of Section 7.2 until the date as of which such Management Member’s services as a Director, or of consultant to, the Company shall have also terminated, at which time the Management Member shall be deemed to have terminated employment due to retirement.

“Rule 144” has the meaning given in section 5.1(b).

“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Subsidiary” means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof and shall be deemed to include CVR Energy, Inc.

“Tax Matters Partner” has the meaning given in Section 10.2(b).

“Termination for Cause” or “Cause” means a termination of a Management Member’s employment by the Company or any subsidiary of the Company that employs such individual (or by the Company on behalf of any such subsidiary) due to such Management Member’s (i) refusal or neglect to perform substantially his or her employment-related duties, (ii) personal dishonesty, incompetence, willful misconduct or breach of fiduciary duty, (iii) conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony or his or her willful violation of any applicable law (other than a traffic violation or other offense or violation outside of the course of employment which in no way adversely affects the Company and its Subsidiaries or its reputation or the ability of the Management Member to perform his or her employment-related duties or to represent the Company or any Subsidiary of the Company that employs such Management Member) or (iv) material breach of any written covenant or agreement with the Company or any of its Subsidiaries not to disclose any information pertaining to the Company or such subsidiary or not to compete or interfere with the Company or such Subsidiary; provided that, in the case of any Management Member who, as of the date of determination, is party to an effective services, severance or employment agreement with the Company, “termination for Cause” shall have the meaning, if any, specified in such agreement.

“Transfer” means to directly or indirectly transfer, sell, pledge, hypothecate or otherwise dispose of.

“Treasury Regulations” means the Regulations of the Treasury Department of the United States issued pursuant to the Code.

“Units” means any class of Interests provided for herein.

“Value Units” means a sub-class of Override Units, as described in Section 3.2(b).

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

INVESTOR MEMBERS

GS CAPITAL PARTNERS V FUND, L.P.

By: GSCP V Advisors, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.

By: GSCP V Offshore Advisors, L.L.C.,  
its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.

By: GS Advisors V, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

*[Signature page to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC]*

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GS CAPITAL PARTNERS V GmbH & CO. KG

By: Goldman, Sachs Management GP GmbH,  
its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

*[Signature page to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC]*

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MANAGEMENT MEMBERS

/s/ John J. Lipinski

JOHN J. LIPINSKI

THE TARA K. LIPINSKI 2007 EXEMPT TRUST

By: /s/ Tara K. Lipinski

Name: Tara K. Lipinski

Title: Trustee

THE LIPINSKI 2007 EXEMPT FAMILY TRUST

By: /s/ Patricia E. Lipinski

Name: Patricia E. Lipinski

Title: Trustee

/s/ Stanley A. Riemann

STANLEY A. RIEMANN

/s/ James T. Rens

JAMES T. RENS

/s/ Keith D. Osborn

KEITH D. OSBORN

/s/ Kevan A. Vick

KEVAN A. VICK

*[Signature page to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC]*

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/s/ Robert W. Haugen

ROBERT W. HAUGEN

/s/ Wyatt E. Jernigan

WYATT E. JERNIGAN

/s/ Alan K. Rugh

ALAN K. RUGH

/s/ Daniel J. Daly, Jr.

DANIEL J. DALY, JR.

/s/ Edmund Gross

EDMUND GROSS

/s/ Chris Swanberg

CHRIS SWANBERG

/s/ John Huggins

JOHN HUGGINS

*[Signature page to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC]*

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OUTSIDE MEMBERS

/s/ Wesley Clark

WESLEY CLARK

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*[Signature page to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC]*

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SCHEDULE A  
**Schedule A to the LLC Agreement**  
GSCP Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>
GS Capital Partners V Fund, L.P.	October 16, 2007		\$ 67,303,592.42	5,948,244
GS Capital Partners V Offshore Fund, L.P.	October 16, 2007		\$ 34,766,224.76	3,072,615
GS Capital Partners V Institutional, L.P.	October 16, 2007		\$ 23,079,323.46	2,039,735
GS Capital Partners V GmbH & Co. KG	October 16, 2007		\$ 2,668,359.36	235,827
<b>Total</b>			<b>\$127,817,500.00</b>	<b>11,296,421</b>

Management Members—Initial Contribution

Name	Date of Admission	Mailing Address	Capital Contribution	Common Units	Override Units			Benchmark Amount
					Issuance Date	Operating Units	Value Units	
John J. Lipinski	October 16, 2007		\$325,000	28,723	Jul. 25, 2005	N/A	N/A	N/A
The Tara K. Lipinski 2007 Exempt Trust	October 16, 2007		N/A	N/A	Jul. 25, 2005 Dec. 29, 2006	78,954.5 18,123	157,909.25 36,241.5	\$11,3149 \$ 34.72
The Lipinski 2007 Exempt Family Trust	October 16, 2007		N/A	N/A	Jul. 25, 2005 Dec. 29, 2006	78,954.5 18,123	157,909.25 36,241.5	\$11,3149 \$ 34.72
Stanley A. Riemann	October 16, 2007		\$200,000	17,676	Jul. 25, 2005	70,092.5	140,185.5	\$11,3149
James T. Rens	October 16, 2007		\$125,000	11,047.5	Jul. 25, 2005	35,982.5	71,965.5	\$11,3149
Keith D. Osborn	October 16, 2007		\$125,000	11,047.5	Jul. 25, 2005	35,982.5	71,965.5	\$11,3149
Kevan A. Vick	October 16, 2007		\$125,000	11,047.5	Jul. 25, 2005	35,982.5	71,965.5	\$11,3149
Robert W. Haugan	October 16, 2007		\$ 50,000	4,419	Jul. 25, 2005	35,982.5	71,965.5	\$11,3149
Wyatt E. Jernigan	October 16, 2007		\$ 50,000	4,419	Jul. 25, 2005	35,982.5	71,965.5	\$11,3149
Alan K. Rugh	October 16, 2007		\$ 50,000	4,419	Jul. 25, 2005	25,950.5	51,900.5	\$11,3149
Daniel J. Daly, Jr.	October 16, 2007		\$ 25,000	2,209.5	Jul. 25, 2005	25,950.5	51,900.5	\$11,3149

Name	Date of Admission	Mailing Address	Capital Contribution	Common Units	Override Units			Benchmark Amount
					Issuance Date	Operating Units	Value Units	
Edmund Gross	October 16, 2007		\$ 15,000	1,325.5	Sep 12, 2005	N/A	N/A	N/A
Chris Swanberg	October 16, 2007		\$ 12,500	1,104.5	Jul. 25, 2005	N/A	N/A	N/A
John Huggins	October 16, 2007		\$ 35,000	3,093.5	Jul. 25, 2005	N/A	N/A	N/A
<i>Total</i>			\$1,137,500	100,531.75		496,061	992,465.5	

Outside Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>
Wesley Clark	October 16, 2007		\$125,000	11,047.5

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EXHIBIT A

**SPOUSAL WAIVER**

[INSERT NAME] hereby waives and releases any and all equitable or legal claims and rights, actual, inchoate or contingent, which [she] [he] may acquire with respect to the disposition, voting or control of the Units subject to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC, dated as of October 16, 2007], as the same may be amended, modified, supplemented or restated from time to time, except for rights in respect of the proceeds of any disposition of such Units.

\_\_\_\_\_  
Name:

**AMENDMENT NO. 1 TO THE  
FIRST AMENDED AND RESTATED  
LIMITED LIABILITY COMPANY AGREEMENT  
OF  
COFFEYVILLE ACQUISITION II LLC**

This Amendment No. 1 (this "Amendment") to the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC., dated October 16, 2007 among the entities listed under the heading "Investor Members" on the signature pages hereto, the individuals listed under the heading "Management Members" on the signature pages hereto, and the individual listed under the heading "Outside Members" on the signature pages hereto (the "LLC Agreement") is entered into effective as of October 24, 2007. Capitalized terms used without definition herein have the meanings specified in the LLC Agreement.

WHEREAS, the LLC Agreement may be amended by a written instrument signed by each of the Investor Members and, in the case of amendments which adversely effect the Management Members as a class, by a Majority in Interest (exclusive of Override Units) of the Management Members.

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 9.1 of the LLC Agreement is hereby amended by adding the following immediately after Section 9.1(d):

“(e) Notwithstanding any other provision in this Agreement, (i) any income recognized by the Company in respect of the dividend received by the Company on October 24, 2007, shall be allocated for Capital Account maintenance and U.S. federal income tax purposes among the members in proportion to the number of Common Units held by each Member as of such date, (ii) the cash received by the company in respect of such dividend shall be distributed by the Company to the Members in proportion to the number of Common Units held by each Member as of such date and (except as otherwise provided by this Section 9.1(e)) shall not otherwise be taken into account in making the computations required by this Section 9.1, and (iii) to the extent of the increase, if any, in the value of the Company’s assets over their value as of October 24, 2007, any distribution after October 24, 2007 shall be made to the Members in proportion to the number of Override Units held by each Member as of October 24, 2007 until the aggregate amount distributed pursuant to this clause (iii) equals the amount that would have been distributed to such Members in respect of their Override Units under Section 9.1(b) but for clause (ii) so that, to the extent of such increase in

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value, the aggregate amount received by each Member is the same as what each Member would have received but for this Section 9.1(e).”

2. Other Provisions. Except to the extent expressly provided herein, the LLC Agreement is not affected hereby and continues in full force and effect in accordance with its original terms.
3. Governing Law; Attorney’s Fees. This Amendment and the rights and obligations of the Members hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof. The substantially prevailing party in any action or proceeding relating to this Amendment shall be entitled to receive an award of, and to recover from the other party or parties, any fees or expenses incurred by him, her or it (including, without limitation, reasonable attorneys’ fees and disbursements) in connection with any such action or proceeding.
4. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

\* \* \* \* \*

*[Remainder of page intentionally left blank;  
Signature pages follows immediately hereafter]*

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IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of October 24, 2007.

INVESTOR MEMBERS

GS CAPITAL PARTNERS V FUND, L.P.  
By: GSCP V Advisors, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli \_\_\_\_\_  
Name:  
Title:

GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.  
By: GSCP V Offshore Advisors, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli \_\_\_\_\_  
Name:  
Title:

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.  
By: GS Advisors V, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli \_\_\_\_\_  
Name:  
Title:

*[Signature Page to Amendment No. 1 to the First Amended and Restated Limited Liability  
Company Agreement of Coffeyville Acquisition II LLC]*

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GS CAPITAL PARTNERS V GmbH & CO. KG  
By: Goldman, Sachs Management GP GmbH,  
its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

*[Signature Page to Amendment No. 1 to the First Amended and Restated Limited Liability  
Company Agreement of Coffeyville Acquisition II LLC]*

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MANAGEMENT MEMBERS

/s/ John J. Lipinski  
JOHN J. LIPINSKI

---

THE TARA K. LIPINSKI 2007 EXEMPT TRUST

By: /s/ Tara K. Lipinski  
Name: Tara K. Lipinski  
Title: Trustee

---

THE LIPINSKI 2007 EXEMPT FAMILY TRUST

By: /s/ Patricia E. Lipinski  
Name: Patricia E. Lipinski  
Title: Trustee

---

/s/ Stanley A. Riemann  
STANLEY A. RIEMANN

---

/s/ James T. Rens  
JAMES T. RENS

---

/s/ Keith D. Osborn  
KEITH D. OSBORN

---

/s/ Kevan A. Vick  
KEVAN A. VICK

---

*[Signature Page to Amendment No. 1 to the First Amended and Restated Limited Liability  
Company Agreement of Coffeyville Acquisition II LLC]*

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/s/ Robert W. Haugen

ROBERT W. HAUGEN

/s/ Wyatt E. Jernigan

WYATT E. JERNIGAN

/s/ Alan K. Rugh

ALAN K. RUGH

/s/ Daniel J. Daly, Jr.

DANIEL J. DALY, JR.

/s/ Edmund Gross

EDMUND GROSS

/s/ Chris Swanberg

CHRIS SWANBERG

/s/ John Huggins

JOHN HUGGINS

*[Signature Page to Amendment No. 1 to the First Amended and Restated Limited Liability  
Company Agreement of Coffeyville Acquisition II LLC]*

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OUTSIDE MEMBERS

/s/ Wesley Clark

WESLEY CLARK

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*[Signature Page to Amendment No. 1 to the First Amended and Restated Limited Liability  
Company Agreement of Coffeyville Acquisition II LLC]*

LIMITED LIABILITY COMPANY AGREEMENT  
OF  
COFFEYVILLE ACQUISITION III LLC

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Table of Contents

Page

ARTICLE I

FORMATION OF THE COMPANY

Section 1.1	Formation	1
Section 1.2	Company Name	1
Section 1.3	The Certificate, etc.	1
Section 1.4	Term of Company	2
Section 1.5	Registered Agent and Office	2
Section 1.6	Principal Place of Business	2
Section 1.7	Qualification in Other Jurisdictions	2
Section 1.8	Fiscal Year; Taxable Year	2

ARTICLE II

PURPOSE AND POWERS OF THE COMPANY

Section 2.1	Purpose	2
Section 2.2	Powers of the Company	2
Section 2.3	Certain Tax Matters	2

ARTICLE III

MEMBERS AND INTERESTS GENERALLY

Section 3.1	Powers of Members	3
Section 3.2	Interests Generally	3
Section 3.3	Meetings of Members	4
Section 3.4	Business Transactions of a Member with the Company	5
Section 3.5	No Cessation of Membership upon Bankruptcy	5
Section 3.6	Additional Members	5
Section 3.7	Preemptive Rights	6
Section 3.8	Other Business of Members	7

ARTICLE IV

MANAGEMENT

Section 4.1	Board	8
Section 4.2	Meetings of the Board	9
Section 4.3	Quorum and Acts of the Board	10
Section 4.4	Electronic Communications	10
Section 4.5	Committees of Directors	10
Section 4.6	Compensation of Directors	11
Section 4.7	Resignation	11
Section 4.8	Removal of Directors	11

Table of Contents  
(continued)

		<u>Page</u>
Section 4.9	Vacancies	12
Section 4.10	Directors as Agents	12
Section 4.11	Officers	12
Section 4.12	Certain Covenants	12
Section 4.13	Strategic Planning Committee	15
ARTICLE V		
INVESTMENT REPRESENTATIONS, WARRANTIES AND COVENANTS		
Section 5.1	Representations, Warranties and Covenants of Members	15
Section 5.2	Additional Representations and Warranties of Non-Investor Members	16
Section 5.3	Additional Representations and Warranties of Investor Members	17
Section 5.4	Additional Covenants of Management Members	18
ARTICLE VI		
CAPITAL ACCOUNTS; CAPITAL CONTRIBUTIONS		
Section 6.1	Capital Accounts	18
Section 6.2	Adjustments	18
Section 6.3	Additional Capital Contributions	19
Section 6.4	Negative Capital Accounts	19
ARTICLE VII		
ADDITIONAL TERMS APPLICABLE TO OVERRIDE UNITS		
Section 7.1	Certain Terms	19
Section 7.2	Inactive Management Members	19
ARTICLE VIII		
ALLOCATIONS		
Section 8.1	Book Allocations of Net Income and Net Loss	20
Section 8.2	Special Book Allocations	20
Section 8.3	Tax Allocations	21
ARTICLE IX		
DISTRIBUTIONS		
Section 9.1	Distributions Generally	21
Section 9.2	Distributions In Kind	22
Section 9.3	No Withdrawal of Capital	22



Table of Contents  
(continued)

	<u>Page</u>	
Section 9.4	Withholding	22
Section 9.5	Restricted Distributions	23
Section 9.6	Tax Distributions	23
ARTICLE X		
BOOKS AND RECORDS		
Section 10.1	Books, Records and Financial Statements	23
Section 10.2	Filings of Returns and Other Writings; Tax Matters Partner	24
Section 10.3	Accounting Method	24
ARTICLE XI		
LIABILITY, EXCULPATION AND INDEMNIFICATION		
Section 11.1	Liability	25
Section 11.2	Exculpation	25
Section 11.3	Fiduciary Duty	25
Section 11.4	Indemnification	25
Section 11.5	Expenses	25
Section 11.6	Severability	26
ARTICLE XII		
TRANSFERS OF INTERESTS		
Section 12.1	Restrictions on Transfers of Interests by Members	26
Section 12.2	Overriding Provisions	27
Section 12.3	Estate Planning Transfers; Transfers upon Death of a Management Member	27
Section 12.4	Involuntary Transfers	27
Section 12.5	Assignments	28
Section 12.6	Substitute Members	29
Section 12.7	Release of Liability	29
Section 12.8	Right of First Offer; Tag-Along and Drag-Along Rights	29
Section 12.9	Initial Public Offering	33
ARTICLE XIII		
DISSOLUTION, LIQUIDATION AND TERMINATION		
Section 13.1	Dissolving Events	34
Section 13.2	Dissolution and Winding-Up	35
Section 13.3	Distributions in Cash or in Kind	35
Section 13.4	Termination	36
Section 13.5	Claims of the Members	36

Table of Contents  
(continued)

Page

ARTICLE XIV

MISCELLANEOUS

Section 14.1	Notices	36
Section 14.2	Securities Act Matters	37
Section 14.3	Headings	37
Section 14.4	Entire Agreement	37
Section 14.5	Counterparts	37
Section 14.6	Governing Law; Attorneys' Fees	37
Section 14.7	Waivers	38
Section 14.8	Invalidity of Provision	38
Section 14.9	Further Actions	38
Section 14.10	Amendments	38
Section 14.11	No Third Party Beneficiaries	39
Section 14.12	Injunctive Relief	39
Section 14.13	Power of Attorney	39
Section 14.14	Marketing Materials	40
Section 14.15	Notice of Events	40

ARTICLE XV

DEFINED TERMS

Section 15.1	Definitions	40
Exhibit A	Form of Spousal Waiver	
Exhibit B	Form of Management Rights Letter	
Exhibit C	Form of Registration Rights Agreement	

LIMITED LIABILITY COMPANY AGREEMENT OF  
COFFEYVILLE ACQUISITION III LLC

This Limited Liability Company Agreement of Coffeyville Acquisition III LLC (the "**Company**") is dated as of October 24, 2007, among the entities listed under the headings "GSCP Members" and "Kelso Members" on Schedule A hereto (each, respectively, a "**GSCP Member**" or a "**Kelso Member**," and, collectively, the "**Investor Members**"), the individuals listed under the heading "Management Members" on Schedule A hereto (each a "**Management Member**" and collectively, the "**Management Members**," which term shall also include such other management employees of the Company who become members of the Company and are designated "Management Members" after the date hereof in accordance with Section 3.6 of this Agreement) and the Persons listed under the heading "Outside Members" on Schedule A hereto (each an "**Outside Member**" and together with any Persons who become members of the Company and are designated "Outside Members" after the date hereof in accordance with Section 3.6 of this Agreement, the "**Outside Members**"). The Management Members, the Inactive Management Members and the Outside Members are collectively referred to herein as the "**Non-Investor Members**." The Investor Members and the Non-Investor Members are collectively referred to herein as the "**Members**." Any capitalized term used herein without definition shall have the meaning set forth in Article XV.

WHEREAS, the parties hereto desire to enter into this Agreement for the purpose of adopting the terms of this Agreement as the complete expression of the covenants, agreements and undertakings of the parties hereto with respect to the affairs of the Company, the conduct of its business and the rights and obligations of the Members.

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

FORMATION OF THE COMPANY

**Section 1.1 Formation.** The Company was formed upon the filing of the Certificate with the Secretary of State of the State of Delaware on June 7, 2007.

**Section 1.2 Company Name.** The name of the Company is Coffeyville Acquisition III LLC. The business of the Company may be conducted under such other names as the Board may from time to time designate; provided that the Company complies with all relevant state laws relating to the use of fictitious and assumed names.

**Section 1.3 The Certificate, etc.** Each Director is hereby authorized to execute, deliver, file and record all such other certificates and documents, including amendments to or restatements of the Certificate, and to do such other acts as may be appropriate to comply with all requirements for the formation, continuation and operation of a limited liability company, the ownership of property, and the conduct of business under the laws of the State of Delaware and any other jurisdiction in which the Company may own property or conduct business.

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**Section 1.4 Term of Company.** The term of the Company commenced on the date of the initial filing of the Certificate with the Secretary of State of the State of Delaware. The Company may be terminated in accordance with the terms and provisions hereof, and shall continue unless and until dissolved as provided in Article XIII. The existence of the Company as a separate legal entity shall continue until the cancellation of the Certificate as provided in the Delaware Act.

**Section 1.5 Registered Agent and Office.** The Company's registered agent and office in the State of Delaware is Corporation Service Company, 2711 Centerville Road Suite 400, Wilmington, New Castle County, Delaware 19801. The Board may designate another registered agent and/or registered office from time to time in accordance with the then applicable provisions of the Delaware Act and any other applicable laws.

**Section 1.6 Principal Place of Business.** The principal place of business of the Company is located at 10 E. Cambridge Circle, Ste. 250, Kansas City, Kansas 66103. The location of the Company's principal place of business may be changed by the Board from time to time in accordance with the then applicable provisions of the Delaware Act and any other applicable laws.

**Section 1.7 Qualification in Other Jurisdictions.** Any authorized person of the Company shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

**Section 1.8 Fiscal Year; Taxable Year.** The fiscal year of the Company for financial accounting purposes shall end on December 31.

## ARTICLE II

### PURPOSE AND POWERS OF THE COMPANY

**Section 2.1 Purpose.** The purposes of the Company are, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Delaware Act and engaging in all acts or activities as the Company deems necessary, advisable or incidental to the furtherance of the foregoing.

**Section 2.2 Powers of the Company.** The Company shall have the power and authority to take any and all actions that are necessary, appropriate, advisable, convenient or incidental to or for the furtherance of the purposes set forth in Section 2.1.

**Section 2.3 Certain Tax Matters.** The Company shall not elect, and the Board shall not permit the Company to elect, to be treated as an association taxable as a corporation for U.S. federal, state or local income tax purposes under Treasury Regulations section 301.7701-3 or under any corresponding provision of state or local law. The Company and the Board shall not permit the registration or listing of the Interests on an "established securities market," as such term is used in Treasury Regulations section 1.7704-1.

## ARTICLE III

### MEMBERS AND INTERESTS GENERALLY

**Section 3.1 Powers of Members.** The Members shall have the power to exercise any and all rights or powers granted to the Members pursuant to the express terms of this Agreement. The approval or consent of the Members shall not be required in order to authorize the taking of any action by the Company unless and then only to the extent that (a) this Agreement shall expressly provide therefor, (b) such approval or consent shall be required by non-waivable provisions of the Delaware Act or (c) the Board shall have determined in its sole discretion that obtaining such approval or consent would be appropriate or desirable. The Members, as such, shall have no power to bind the Company.

**Section 3.2 Interests Generally.** As of the date hereof, the Company has two authorized classes of Interests: Common Units and Override Units. Additional classes of Interests denominated in the form of Units may be authorized from time to time by the Board (which authorization must have been approved by at least one GSCP Director and at least one Kelso Director) without obtaining the consent of any Member or class of Members. Except as otherwise provided in this Article III, Units in a particular class may be issued from time to time, at such prices and on such terms as the Board (which issuance, prices and terms must have been approved by at least one GSCP Director and at least one Kelso Director) or, in the case of Override Units, the Override Unit Committee may determine, without obtaining the consent of any Member or class of Members.

(a) **Common Units.**

(i) **General.** Subject to the provisions of Section 7.2, the holders of Common Units will have voting rights with respect to their Common Units as provided in Section 3.3(d) and shall have the rights with respect to profits and losses of the Company and distributions from the Company as are set forth herein. The number of Common Units of each Member as of any given time shall be set forth on Schedule A, as it may be updated from time to time in accordance with this Agreement.

(ii) **Price.** Unless otherwise determined by the Board, the Common Units will initially be issued for a Capital Contribution of \$10 per Common Unit. The payment terms and schedule for the Capital Contributions applicable to any Common Unit will be determined by the Board upon issuance of such Common Units.

(b) **Override Units.**

(i) **General.** Subject to the provisions of Article VII hereof (including the applicable Benchmark Amount), the holders of Override Units will have no voting rights with respect to their Override Units but shall have the rights with respect to profits and losses of the Company and distributions from the Company as are set forth herein; provided that additional terms and conditions applicable to an Override Unit may be established by the Override Unit Committee in connection with the issuance of any such Override Unit to a person who becomes a Management Member at any time after the date

of this Agreement in accordance with Section 3.6 hereof. The number of Override Units issued to a Management Member as of any given time shall be set forth on Schedule A, as it may be updated from time to time in accordance with this Agreement.

(ii) **Price.** The holders of Override Units are not required to make any Capital Contribution to the Company in exchange for their Override Units, it being recognized that, unless otherwise determined by a majority of the Board (which majority must include at least one GSCP Director and at least one Kelso Director), such Units shall be issued only to Management Members who own Common Units and who agree to provide services to the Company pursuant to Section 4.13.

### **Section 3.3 Meetings of Members.**

(a) **Meetings; Notice of Meetings.** Meetings of the Members, including any special meeting, may be called by the Board from time to time. Notice of any such meeting shall be given to all Members not less than two nor more than 30 business days prior to the date of such meeting and shall state the location, date and hour of the meeting and, in the case of a special meeting, the nature of the business to be transacted. Meetings shall be held at the location (within or without the State of Delaware) at the date and hour set forth in the notice of the meeting.

(b) **Waiver of Notice.** No notice of any meeting of Members need be given to any Member who submits a signed waiver of notice, whether before or after the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members need be specified in a written waiver of notice. The attendance of any Member at a meeting of Members shall constitute a waiver of notice of such meeting, except when the Member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) **Quorum.** Except as otherwise required by applicable law or by the Certificate, the presence in person or by proxy of the holders of record of a Majority in Interest shall constitute a quorum for the transaction of business at such meeting.

(d) **Voting.** If the Board has fixed a record date, every holder of record of Units entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members as of such date shall be entitled to one vote for each such Unit outstanding in such Member's name at the close of business on such record date. Holders of record of Override Units will have no voting rights with respect to such Units. If no record date has been so fixed, then every holder of record of such Units entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members shall be entitled to one vote for each Unit outstanding in his name on the close of business on the day next preceding the day on which notice of the meeting is given or the first consent in respect of the applicable action is executed and delivered to the Company, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. Except as otherwise required by applicable law, the Certificate or this Agreement, the vote of a Majority in Interest at any meeting at which a quorum is present shall be sufficient for the transaction of any business at such meeting.

(e) Proxies. Each Member may authorize any Person to act for such Member by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or such Member's attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it unless otherwise provided in such proxy; provided, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

(f) Organization. Each meeting of Members shall be conducted by such Person as the Board may designate.

(g) Action Without a Meeting. Unless otherwise provided in this Agreement, any action which may be taken at any meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by a Majority in Interest. Prompt notice of the taking of the action without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing.

**Section 3.4 Business Transactions of a Member with the Company.** A Member may lend money to, borrow money from, act as surety or endorser for, guarantee or assume one or more specific obligations of, provide collateral for, or transact any other business with the Company or any of its Subsidiaries; provided that any such transaction shall (a) require the approval of a majority of the Directors and (b) have been approved as may be required by Section 4.12.

**Section 3.5 No Cessation of Membership upon Bankruptcy.** A Person shall not cease to be a Member of the Company upon the happening, with respect to such Person, of any of the events specified in Section 18-304 of the Delaware Act.

**Section 3.6 Additional Members.**

(a) Admission Generally. Upon the approval of a majority of the Board or the Override Unit Committee (but in each case only to the extent that such majority includes the vote of at least one GSCP Director and at least one Kelso Director), the Company may admit one or more additional Members (each, an "**Additional Member**"), to be treated as a "Member" or one of the "Members" for all purposes hereunder. The Board may designate any such Additional Member as an "Investor Member," a "Management Member" or an "Outside Member" hereunder (but only to the extent that such designation has been approved by at least one GSCP Director and at least one Kelso Director).

(b) Rights of Additional Members. Prior to the admission of an Additional Member, the Board shall determine (but only to the extent that such determination has been approved by at least one GSCP Director and at least one Kelso Director):

(i) the Capital Contribution (if any) of such Additional Member;

(ii) the rights, if any, of such Additional Member to appoint Directors to the Board;

(iii) the number of Units to be granted to such Additional Member and whether such Units shall be Common Units, Override Units or Units of an additional class of Interests authorized by the Board; and in the case of Common Units, the price to be paid therefor and in the case of any Override Units, the applicable Benchmark Amount and terms thereof; and

(iv) whether such Additional Member will be a Management Member or an Investor Member or an Outside Member; provided that (a) an Additional Member may only be designated a GSCP Member with the consent of GSCP, (b) an Additional Member may only be designated a Kelso Member with the consent of Kelso, and (c) the rights and obligations of any Outside Member shall be as specified by the Board in its sole discretion and, if such terms are different from the terms applicable to the Outside Member as provided herein, this Agreement shall be amended, in accordance with Section 14.10, to reflect such terms.

(c) Admission Procedure. Each Person shall be admitted as an Additional Member at the time such Person (i) executes a joinder agreement to this Agreement, (ii) makes Capital Contributions (if any) to the Company in an amount to be determined by the Board, (iii) complies with the applicable Board resolution, if any, with respect to such admission, (iv) is issued Units (if any) by the Company and (v) is named as a Member in Schedule A (as described in Section 12.2) hereto. The Board is authorized to amend Schedule A to reflect any issuance of Units and any such admission and any actions pursuant to this Section 3.6.

**Section 3.7 Preemptive Rights.**

(a) In the event that the Company proposes to issue any Interests (the "**Proposed Third Party Interests**"), other than (i) to any Management Member, (ii) in connection with any debt financing, (iii) as consideration in connection with (A) an acquisition, directly or indirectly, of all or substantially all of a Person's assets or business, or (B) the merger into or consolidation of a Person, or any other transaction or series of related transactions in which more than fifty percent (50%) of the voting power of a Person immediately prior to such event is transferred to the Company or one of its Subsidiaries, or (iv) Interests (not to exceed in the aggregate 5% of the aggregate Interests outstanding on the date hereof) issued for bona fide commercial purposes to business partners who are not Affiliates of any Investor Member, then each Member (other than any Inactive Management Member) may, but shall not be required to, participate in the manner set forth in Section 3.7(b), on the same terms and conditions (including price), in the purchase of the Proposed Third Party Interests giving rise to these preemptive rights, by purchasing such number of Interests as such Member elects in accordance with Section 3.7(b); provided that, if the consideration for the issuance giving rise to the preemptive rights is not entirely cash, the value of the non-cash consideration will be determined by the Board, and any participating Member shall be required to pay the purchase price for its Interest solely in cash based on such valuation.



(b) Prior to the issuance of Interests by the Company as to which Section 3.7(a) applies, the Company shall give written notice (the "**First Company Notice**") thereof to each eligible Member, which First Company Notice shall state, for each Member, the product of (x) the number of the Proposed Third Party Interests proposed to be issued to the third party or parties giving rise to these preemptive rights and (y) such Member's percentage ownership interest in the Company immediately prior to such notice (the product of (x) and (y), a Member's "**Pro Rata Preemptive Amount**"). Each eligible Member that wishes to exercise its rights under this Section 3.7 shall deliver a written notice to that effect to the Company within 30 days after its receipt of the First Company Notice to exercise its rights on the same terms and conditions as those offered to the third-party purchaser (which Member notice shall state the portion of such Member's Pro Rata Preemptive Amount that such Member elects to purchase pursuant hereto (such portion, the "**Initial Purchase Amount**")); provided that, if a Member either (x) fails to deliver such notice to the Company within 30 days after its receipt of the First Notice or (y) notifies the Company that it elects not to purchase any or a portion of its Pro Rata Preemptive Amount, then such Member shall have rejected its right to purchase all or such portion of its Pro Rata Preemptive Amount (as such, the "**Rejected Amount**") and, promptly after the expiration of such 30 day period or receipt of such notice, as the case may be, the Company shall notify the other Members hereof and of their respective pro rata share in such Rejected Amount (each such notice, a "**Second Company Notice**"). The other Members shall have the right to purchase all or any portion of their respective pro rata share of any Rejected Amount and any Member that wishes to exercise such right with respect to any Rejected Amount shall deliver a written notice to that effect to the Company within ten days after its receipt of the Second Company Notice in respect of such Rejected Amount (which Member notice shall state the portion of the pro rata amount of such Rejected Amount that such Member elects to purchase (any such portion, an "**Additional Purchase Amount**"). The Company shall issue an aggregate number of Proposed Third Party Interests to each Member that has given written notice of the exercise of its rights hereunder equal to the Initial Purchase Amount and the sum of all Additional Purchase Amounts applicable to such Member as soon as practicable, and in no event later than the later of (i) five Business Days after receipt of such notice, and (ii) the closing of the issuance of such Interests to the third-party purchaser, against payment to the Company by such Member of solely cash consideration for such Interests. Any Interests offered or proposed to be issued by the Company on different terms and conditions as those offered to the Members must be re-offered to the Members pursuant to this Section 3.7.

**Section 3.8 Other Business of Members.**

(a) Existing Business Ventures. Each Member, Director and their respective Affiliates may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Company, and the Company, the Directors and the Members shall have no rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Company, shall not be deemed wrongful or improper.

(b) Business Opportunities. No Member, Director or any of their respective Affiliates shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that the Company or any of its Subsidiaries might reasonably be

deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and each Member, Director or any of their respective Affiliates shall have the right to take for such Person's own account (individually or as a partner or fiduciary) or to recommend to others any such particular investment opportunity.

(c) **Management Members.** For the avoidance of doubt, the provisions of Sections 3.8(a) and (b) shall not in any way limit any non-competition or non-solicitation restrictions contained in an employment, severance, separation or services agreement between any Management Member or any other Member who is an employee of the Company or any of its Subsidiaries and the Company or any of its Subsidiaries.

#### **ARTICLE IV MANAGEMENT**

##### **Section 4.1 Board.**

(a) **Generally.** The business and affairs of the Company shall be managed by or under the direction of a committee of the Company (the "**Board**") consisting of such number of natural persons (each, a "**Director**") as shall be established by mutual consent of GSCP and Kelso from time to time. Subject to any rights that may be granted pursuant to Section 3.6(b), the Directors shall be appointed to the Board upon the vote, approval or consent of a Majority in Interest with all Members agreeing to vote their Units as designated in Section 4.1(b); it being understood and agreed that by executing this Agreement each Member elects the persons listed in Section 4.1(b)(i) to serve as the initial Directors. Directors need not be Members. Subject to the other provisions of this Article IV, the Board shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company and to take all such actions as it deems necessary or appropriate to accomplish the purposes of the Company as set forth herein, including, without limitation, to exercise all of the powers of the Company set forth in Section 2.2 of this Agreement. Each person named as a Director herein or subsequently appointed as a Director is hereby designated as a "manager" (within the meaning of the Delaware Act) of the Company. Except as otherwise provided herein, and notwithstanding the last sentence of Section 18-402 of the Delaware Act, no single Director may bind the Company, and the Board shall have the power to act only collectively in accordance with the provisions and in the manner specified herein. Each Director shall hold office until a successor is appointed in accordance with Section 4.1(b) or until such Director's earlier death, resignation or removal in accordance with the provisions hereof.

##### (b) **Election of Directors.**

(i) **Initial Directors.** Subject to GSCP's and Kelso's right to increase or decrease the authorized number of Directors pursuant to the first sentence of Section 4.1(a), the Board shall consist of five Directors, two of which shall be GSCP Directors and two of which shall be Kelso Directors and the fifth shall be jointly designated by GSCP and Kelso. The two GSCP Directors referenced in the immediately preceding sentence shall be Scott Lebovitz and Kenneth Pontarelli, and the two Kelso Directors

referenced in the immediately preceding sentence shall be George E. Matelich and Stanley de J. Osborne. The provisions of Section 4.1(b)(ii) below shall apply mutatis mutandis to the initial Directors pursuant to this Section 4.1(b)(i).

(ii) **GSCP and Kelso Directors.** GSCP and Kelso shall each have the right to designate two of the Directors for election to the Board for as long as such party continues to hold an amount of Common Units that represents both (x) at least 20% of the Common Units then held by all Members (the "**Requisite Outstanding Amount**") and (y) at least 50% of the Common Units held by such party on the date hereof (the "**Requisite Original Amount**"). GSCP and Kelso shall each have the right to designate one of the Directors for election to the Board for so long as such party continues to hold an amount of Common Units that represents at least 5% of the Common Units then held by all Members (the "**Five Percent Test**"). If either or both of GSCP and Kelso ceases or cease to have the right to designate any Director pursuant to the two immediately preceding sentences, any such Directors that such party no longer has the right to designate shall instead be designated by a Majority in Interest. For so long as GSCP is entitled to designate two of the Directors for election to the Board, one of such Directors shall be designated by GSCP Onshore and one of such Directors shall be designated by GSCP Institutional. For so long as GSCP is entitled to designate one of the Directors for election to the Board, such Director shall be designated by GSCP Institutional.

Each Member shall vote all of the Units over which it exercises voting control and shall take all other necessary or desirable actions within such Member's control (whether in such Member's capacity as a Member, Director, member of a Board committee or officer of the member of a Board committee or Officer or otherwise, and including, without limitation, attendance at meetings in person or by proxy for purposes of obtaining a quorum, execution of written consents in lieu of meetings and approval of amendments and/or restatements of the Certificate or this Agreement), and the Company shall take all necessary and desirable actions within its control (including, without limitation, calling special Board or Member meetings and approval of amendments and/or restatements of the Certificate or this Agreement), so that the Directors designated in accordance with this Section 4.1(b)(ii) will be elected to the Board.

(c) **Observer.** To the extent that, at any time, GSCP or Kelso, as the case may be, has no Director designation rights pursuant to Section 4.1(b), such party shall have (i) the right to designate an observer to attend any meetings of the Board (which right may be waived by such party in its sole discretion) and (ii) such other rights as are set forth in a letter agreement entered into as of the date hereof between the Company, on the one hand, and each of GSCP Institutional and Kelso, on the other hand, the form of which is attached as Exhibit B hereto.

**Section 4.2 Meetings of the Board.** The Board shall meet from time to time to discuss the business of the Company. The Board may hold meetings either within or without the State of Delaware. Meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board. The Chief Executive Officer of the Company or a majority of the Board may call a meeting of the Board on five business days' notice to each Director, either personally, by telephone, by facsimile or by any other similarly timely means of communication, which notice requirement may be waived by the Directors.

**Section 4.3 Quorum and Acts of the Board.**

(a) Three Directors (including at least one GSCP Director and at least one Kelso Director) shall constitute a quorum for the transaction of business. Unless the number of Directors is increased or decreased pursuant to Section 4.1(a), in which case the presence of a majority of the then authorized number of Directors shall constitute a quorum. If a quorum shall not be present at any meeting of the Board, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if a majority of the members of the Board or committee (which majority must include at least one GSCP Director and at least one Kelso Director), as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

(b) Except as otherwise provided in this Agreement, 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. To the extent that this Agreement requires any act of the Board or committee thereof to include the approval of, or any Board or committee majority or any Board or committee quorum to include, at least one GSCP Director and at least one Kelso Director, any such requirement shall continue to apply, with respect to the GSCP Director, for as long as GSCP continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount and, with respect to the Kelso Director, for as long as Kelso continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount.

**Section 4.4 Electronic Communications.** Members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

**Section 4.5 Committees of Directors.** The Board (a) shall designate an Override Unit Committee, which shall be comprised of (x) for as long as each of GSCP and Kelso, as the case may be, has the right to designate at least one Director pursuant to Section 4.1(b), one GSCP Director and one Kelso Director and (y) thereafter, such number of persons as may be designated by the Board and (b) may, by resolution passed by a majority of Directors (which majority must include at least one GSCP Director and at least one Kelso Director), designate one or more additional committees. Such resolution shall specify the duties, quorum requirements and qualifications of the members of such additional committees, each such committee to consist of such number of Directors as the Board may fix from time to time. Notwithstanding anything to the contrary in this Section 4.5, each committee designated hereunder shall, for so long as GSCP continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount, include at least one GSCP Director and, for so long as Kelso continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount, include at least one Kelso Director. 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 the committee. In the absence

or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

**Section 4.6 Compensation of Directors.** The Board shall have the authority to fix the compensation of Directors. The Directors may be paid their expenses, if any, of attendance at such meetings of the Board and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary as a Director. No such payment shall preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Members of any committee of the Board may be allowed like compensation for attending committee meetings.

**Section 4.7 Resignation.** Any Director may resign at any time by giving written notice to the Company. The resignation of any Director shall take effect upon receipt of such notice or at such later time as shall be specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation by the Company, the Members or the remaining Directors shall not be necessary to make it effective. In addition, in the event that GSCP or Kelso loses its right to designate a Director or Directors pursuant to Section 4.1(b)(ii) as a result of ceasing to hold the Requisite Outstanding Amount and the Requisite Original Amount or the Five Percent Test, as the case may be, such Director or Directors shall be deemed to have resigned from the Board effective immediately upon the occurrence of such event (it being understood and agreed that if such event only results in the loss of GSCP's or Kelso's right to designate one Director and such party retains the right to designate another Director pursuant to such Section 4.1(b)(ii), then such party shall designate the identity of the Director deemed to have resigned pursuant to this Section 4.7 and the identity of the Director who will remain to serve on the Board). Upon the effectiveness of any such resignation, such Director shall cease to be a "manager" (within the meaning of the Delaware Act).

**Section 4.8 Removal of Directors.** Members shall have the right to remove any Director at any time for cause upon the affirmative vote of a Majority in Interest. In addition, a majority of the Directors then in office shall have the right to remove a Director for cause. Upon the taking of such action, the Director shall cease to be a "manager" (within the meaning of the Delaware Act). Notwithstanding the preceding sentences of this Section 4.8, (a) the removal from the Board of any Director appointed or designated hereunder solely by GSCP shall be only at the written request of GSCP, (b) the removal from the Board of any Directors appointed or designated hereunder solely by Kelso shall be only at the written request of Kelso, (c) the removal from the Board of any unaffiliated Director appointed or designated hereunder jointly by GSCP and Kelso shall be only at the joint written request of GSCP and Kelso and (d) any removal pursuant to clause (a), (b) or (c) may be for cause or without cause. Upon receipt of any such written request, the Board will promptly take all such actions as shall be necessary or

desirable to cause the removal of such Director. Any vacancy caused by any such removal shall be filled in accordance with Section 4.9.

**Section 4.9 Vacancies.** If any vacancies shall occur in the Board, by reason of death, resignation, deemed resignation, removal or otherwise, the Directors then in office shall continue to act, and actions that would otherwise be taken by a majority of the Directors may be taken by a majority of the Directors then in office, even if less than a quorum. Except in the case of vacancies caused by deemed resignations pursuant to the penultimate sentence of Section 4.7, any vacancy shall be filled at any time in accordance with Section 4.1(b). A Director elected to fill a vacancy shall hold office until his or her successor has been elected and qualified or until his or her earlier death, resignation or removal.

**Section 4.10 Directors as Agents.** The Directors, to the extent of their powers set forth in this Agreement, are agents of the Company for the purpose of the Company's business, and the actions of the Directors taken in accordance with such powers shall bind the Company. Except as otherwise provided in Section 1.3 and notwithstanding the last sentence of Section 18-402 of the Delaware Act, no single Director shall have the power to bind the Company and the Board shall have the power to act only collectively in the manner specified herein.

**Section 4.11 Officers.** The Board shall appoint an individual or individuals to serve as the Company's Chief Executive Officer and President and Chief Financial Officer and may, from time to time as it deems advisable, appoint additional officers of the Company (together with the Chief Executive Officer and President and Chief Financial Officer, the "**Officers**") and assign such officers titles (including, without limitation, Vice President, Secretary and Treasurer). Unless otherwise decided by a majority of the Board (which majority must include at least one GSCP Director and at least one Kelso Director), each Management Member shall be an officer of the Company. Unless the Board decides otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section 4.11 may be revoked at any time by the Board. Any Officer may be removed with or without cause by the Board, except as otherwise provided in any services or employment agreement between such Officer and the Company.

**Section 4.12 Certain Covenants.** Notwithstanding anything to the contrary herein, the Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, take any of the following actions without prior written consent of (i) either GSCP or at least one GSCP Director for so long as GSCP continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount and (ii) either Kelso or at least one Kelso Director for so long as Kelso continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount:

(a) consolidate or merge with or into any Person, sell or transfer all or a substantial portion of its assets to another Person, or enter into any similar business combination transaction or effect any transaction or series of transactions in which more than fifty percent (50%) of its voting securities are transferred to another Person, except any such transaction or series of transactions, as the case may be, involving only wholly-owned Subsidiaries of the Company;

(b) voluntarily liquidate, dissolve or wind up;

(c) purchase, acquire or obtain any capital stock or other proprietary interest, directly or indirectly, in any other Person unless (x) such Person is, prior to such transaction, a wholly-owned Subsidiary of the Company and (y) the aggregate consideration paid by the Company in the transactions does not exceed \$5,000,000 in any year;

(d) purchase, acquire or obtain all or a substantial portion of the business or assets of another Person for consideration (including assumed liabilities) in excess of \$5,000,000 in any year;

(e) enter into or commit to enter into any joint ventures or any partnerships or establish or acquire any non-wholly-owned Subsidiaries;

(f) enter into the ownership, active management, development, construction or operation of any line of business other than the business that the Company and its Subsidiaries are engaged in on the date hereof and businesses ancillary or incident thereto;

(g) sell, lease, transfer or otherwise dispose of any asset or group of assets, other than dispositions of obsolete equipment, in an aggregate amount (as to the Company and all of its Subsidiaries), with a book value or fair market value in excess of \$1,000,000 in any one year;

(h) create, incur, assume or suffer to exist any indebtedness of the Company or any of its Subsidiaries for borrowed money (which shall include for purposes hereof capitalized lease obligations and guarantees or other contingent obligations for indebtedness for borrowed money but exclude indebtedness for borrowed money including credit line capacity existing as of the date hereof) in an aggregate amount (as to the Company and all of its Subsidiaries) in excess of (x) \$2,500,000 in any year and (y) \$10,000,000 in the aggregate;

(i) mortgage, encumber, or create, incur or suffer to exist liens on, any of its assets other than mortgages, encumbrances or liens (x) securing indebtedness permitted pursuant to Section 4.12(h) or (y) existing as of the date hereof;

(j) create, designate, authorize, issue, sell or grant, or enter into any agreement providing for the issuance (contingent or otherwise) of, any of its Interests or other equity securities (including, without limitation, any notes or debt securities containing equity features) except for the issuance of Interests or other equity securities upon the conversion, exchange or exercise of any Interest or equity securities outstanding as of the date hereof, or upon the conversion, exchange or exercise of any equity securities the creation, designation, authorization, issuance, sale or grant of which is approved pursuant to this Section 4.12;

(k) pay, declare or set aside any sums for the payment of any dividends, or make any distributions, on any of its equity securities or pay, declare or set aside any sums for the payment of any dividends or make any payment on any of its debt securities, except for regularly scheduled payments of principal and interest under the terms of any indebtedness incurred in accordance with this Section 4.12;

(l) redeem, purchase or otherwise acquire (other than pursuant to Section 12.8(a) of this Agreement) any of its Interests or other equity securities or redeem, purchase or make any payments with respect to any equity appreciation rights, phantom equity plans or similar rights or plans relating to the Company or its Subsidiaries;

(m) redeem, purchase or otherwise acquire, in any transaction or series of related transactions, any indebtedness of the Company or any of its Subsidiaries (except to the extent that such indebtedness is due in accordance with its terms);

(n) make or commit to make any capital expenditures in any year in an aggregate amount (as to the Company and all of its Subsidiaries) in excess of \$2,500,000 of the aggregate amount provided for in the Company's capital expenditure plan;

(o) grant any registration rights except as expressly contemplated by the Registration Rights Agreement;

(p) enter into any transactions (except as expressly contemplated by this Agreement) with any "affiliate" or "associate" (as such terms are defined under Rule 12b-2 of the Exchange Act) including between the Company and each of Goldman, Sachs & Co. and Kelso & Company, L.P.;

(q) amend or repeal any provision of its Certificate of Incorporation, By-Laws or other organizational documents, including, without limitation, any change in the number of directors comprising its board of directors (except, with respect to the Company, as permitted under Section 4.1);

(r) change its independent certified accountants;

(s) adopt or amend any equity option plan or other employee benefit plan or issue any Interests or other equity securities under any such plan other than capital stock or other securities which it is obligated to issue under the terms of any existing or approved option or any such existing or approved plan;

(t) amend this Agreement or the Registration Rights Agreement, or become a party to any agreement which by its terms restricts or is inconsistent with its performance of its obligations under any of the foregoing agreements;

(u) appoint any person to the position of, amend the terms of any existing employment agreement with its, enter into any new employment agreement with its, or remove its Chief Executive Officer and President, Chief Operating Officer, Chief Financial Officer or similar positions;

(v) appoint or remove any member of the board of directors of any Subsidiary of the Company other than in accordance with this Agreement;

(w) adopt or amend its annual budget or capital expenditure plan;

(x) exercise any right of first offer under Section 12.8(a) of this Agreement;



(y) commence, settle or compromise any proceeding;

(z) amend, cancel or otherwise modify any of its insurance coverage policies (including, without limitation, increasing or decreasing the coverage amounts and/or limits thereunder); or

(aa) agree or otherwise commit to take any actions set forth in the foregoing subparagraphs (a) through (z).

**Section 4.13 Strategic Planning Committee.** The Company shall establish a Strategic Planning Committee to advise the President and Chief Executive Officer of the Company on such matters as he shall request, which shall at a minimum include (but shall not be limited to) assessment of and advice regarding (a) the business affairs and prospects of the Company and its Subsidiaries; (b) developing and implementing corporate and business strategy and planning for the Company and its Subsidiaries, including plans and programs for improving operating, marketing and financial performance, budgeting of future corporate investments, acquisition and divestiture strategies, and reorganization programs and (c) planning for and assessment of strategic opportunities and disposition prospects for the Company and its Subsidiaries. The Strategic Planning Committee shall have no decision-making authority, but instead shall advise and report to, and be chaired by, the President and Chief Executive Officer of the Company. The Strategic Planning Committee shall consist of each Management Member (excluding Inactive Management Members). The Strategic Planning Committee shall meet at least semiannually and in connection with matters that are subject to Section 4.12.

## ARTICLE V

### INVESTMENT REPRESENTATIONS, WARRANTIES AND COVENANTS

#### Section 5.1 Representations, Warranties and Covenants of Members.

(a) **Investment Intention and Restrictions on Disposition.** Each Member represents and warrants that such Member is acquiring the Interests solely for such Member's own account for investment and not with a view to resale in connection with any distribution thereof. Each Member agrees that such Member will not, directly or indirectly, Transfer any of the Interests (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of any of the Interests) or any interest therein or any rights relating thereto or offer to Transfer, except in compliance with the Securities Act, all applicable state securities or "blue sky" laws and this Agreement, as the same shall be amended from time to time. Any attempt by a Member, directly or indirectly, to Transfer, or offer to Transfer, any Interests or any interest therein or any rights relating thereto without complying with the provisions of this Agreement, shall be void and of no effect.

(b) **Securities Laws Matters.** Each Member acknowledges receipt of advice from the Company that (i) the Interests have not been registered under the Securities Act or qualified under any state securities or "blue sky" laws, (ii) it is not anticipated that there will be any public market for the Interests, (iii) the Interests must be held indefinitely and such Member must continue to bear the economic risk of the investment in the Interests unless the Interests are subsequently registered under the Securities Act and such state laws or an exemption from registration is available, (iv) Rule 144 promulgated under the Securities Act ("**Rule 144**") is not

presently available with respect to sales of any securities of the Company and the Company has made no covenant to make Rule 144 available and Rule 144 is not anticipated to be available in the foreseeable future, (v) when and if the Interests may be disposed of without registration in reliance upon Rule 144, such disposition can be made only in limited amounts and in accordance with the terms and conditions of such Rule and the provisions of this Agreement, (vi) if the exemption afforded by Rule 144 is not available, public sale of the Interests without registration will require the availability of an exemption under the Securities Act, (vii) restrictive legends shall be placed on any certificate representing the Interests and (viii) a notation shall be made in the appropriate records of the Company indicating that the Interests are subject to restrictions on transfer and, if the Company should in the future engage the services of a transfer agent, appropriate stop-transfer instructions will be issued to such transfer agent with respect to the Interests.

(c) **Ability to Bear Risk.** Each Member represents and warrants that (i) such Member's financial situation is such that such Member can afford to bear the economic risk of holding the Interests for an indefinite period and (ii) such Member can afford to suffer the complete loss of such Member's investment in the Interests.

(d) **Access to Information; Sophistication; Lack of Reliance.** Each Member represents and warrants that (i) such Member is familiar with the business and financial condition, properties, operations and prospects of the Company and that such Member has been granted the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the Company and the terms and conditions of the purchase of the Interests and to obtain any additional information that such Member deems necessary, (ii) such Member's knowledge and experience in financial and business matters is such that such Member is capable of evaluating the merits and risk of the investment in the Interests and (iii) such Member has carefully reviewed the terms and provisions of this Agreement and has evaluated the restrictions and obligations contained therein. In furtherance of the foregoing, each Member represents and warrants that (i) no representation or warranty, express or implied, whether written or oral, as to the financial condition, results of operations, prospects, properties or business of the Company or as to the desirability or value of an investment in the Company has been made to such Member by or on behalf of the Company, (ii) such Member has relied upon such Member's own independent appraisal and investigation, and the advice of such Member's own counsel, tax advisors and other advisors, regarding the risks of an investment in the Company and (iii) such Member will continue to bear sole responsibility for making its own independent evaluation and monitoring of the risks of its investment in the Company.

(e) **Accredited Investor.** Each Member represents and warrants that such Member is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act and, in connection with the execution of this Agreement, agrees to deliver such certificates to that effect as the Board may request.

**Section 5.2 Additional Representations and Warranties of Non-Investor Members.** Each Non-Investor Member represents and warrants that (i) such Non-Investor Member has duly executed and delivered this Agreement, (ii) all actions required to be taken by or on behalf of the Non-Investor Member to authorize it to execute, deliver and perform its obligations under this Agreement have been taken and this Agreement constitutes such Non-

Investor Member's legal, valid and binding obligation, enforceable against such Non-Investor Member in accordance with the terms hereof, (iii) the execution and delivery of this Agreement and the consummation by the Non-Investor Member of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to the Non-Investor Member or by which the Non-Investor Member or any material portion of its properties is bound, (ix) no consent, approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by such Non-Investor Member in connection with the execution and delivery of this Agreement or the performance of such Non-Investor Member's obligations hereunder, (v) if such Non-Investor Member is an individual, such Non-Investor Member is a resident of the state set forth opposite such Non-Investor Member's name on Schedule A and (vi) if such Non-Investor Member is not an individual, such Non-Investor Member's principal place of business and mailing address is in the state set forth opposite such Non-Investor Member's name on Schedule A.

**Section 5.3 Additional Representations and Warranties of Investor Members.**

(a) **Due Organization; Power and Authority, etc.** GSCP Onshore represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. GSCP V Offshore Coffeyville Holdings, L.P. represents and warrants that it is an limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. GSCP Institutional represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. GSCP V Institutional Coffeyville Holdings, L.P. represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. GSCP V GmbH Coffeyville Holdings, L.P. represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. Kelso Investment Associates VII, L.P. represents and warrants that it is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware. Each Investor Member further represents and warrants that it has all necessary power and authority to enter into this Agreement to carry out the transactions contemplated herein.

(b) **Authorization; Enforceability.** All actions required to be taken by or on behalf of such Investor Member to authorize it to execute, deliver and perform its obligations under this Agreement have been taken, and this Agreement constitutes the legal, valid and binding obligation of such Investor Member, enforceable against such Investor Member in accordance with its terms, except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

(c) **Compliance with Laws and Other Instruments.** The execution and delivery of this Agreement and the consummation by such Investor Member of the transactions contemplated hereby and thereby in the manner contemplated hereby and thereby do not and will not conflict

with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to such Investor Member or by which such Investor Member or any material portion of its properties is bound, except for conflicts, breaches and defaults that, individually or in the aggregate, will not have a material adverse effect upon the financial condition, business or operations of such Investor Member or upon such Investor Member's ability to enter into and carry out its obligations under this Agreement.

(d) Executing Parties. The person executing this Agreement on behalf of each Investor Member has full power and authority to bind such Investor Member to the terms hereof and thereof.

**Section 5.4 Additional Covenants of Management Members**. Each Management Member hereby agrees that, upon the receipt of any Override Unit, it shall make an election pursuant to section 83(b) of the Code.

## ARTICLE VI

### CAPITAL ACCOUNTS; CAPITAL CONTRIBUTIONS

**Section 6.1 Capital Accounts**. A separate capital account (a "Capital Account") shall be established and maintained for each Member. The initial balance in each Member's Capital Account shall be as set forth on Schedule A.

**Section 6.2 Adjustments**.

(a) Each of the Members hereby commits to make a cash contribution to the capital of the Company in the amount set forth opposite each Member's name on Schedule A. Any contributions of property after the date hereof shall be valued at their Fair Market Value.

(b) Each Member's Capital Account shall be credited with the amount of cash contributed by such Member on the date hereof, as set forth on Schedule A.

(c) As of the end of each Accounting Period, the balance in each Member's Capital Account shall be adjusted by (i) increasing such balance by (A) such Member's allocable share of Net Income (allocated in accordance with Section 8.1), (B) the items of gross income allocated to such Member pursuant to Section 8.2 and (C) the amount of cash and the Fair Market Value of any property (as of the date of the contribution thereof and net of any liabilities encumbering such property) contributed to the Company by such Member during such Accounting Period, if any, and (ii) decreasing such balance by (A) the amount of cash and the Fair Market Value of any property (as of the date of the distribution thereof and net of any liabilities encumbering such property) distributed to such Member during such Accounting Period, (B) such Member's allocable share of Net Loss (allocated in accordance with Section 8.1) and (C) the items of gross deduction allocated to such Member pursuant to Section 8.2. The provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations section 1.704-1(b) and section 1.704-2 and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

**Section 6.3 Additional Capital Contributions.** No Member shall be required to make any additional capital contribution to the Company in respect of the Interests then owned by such Member. A Member may make further capital contributions to the Company, but only with the written consent of the Board acting by majority vote (which majority must include at least one GSCP Director and at least one Kelso Director) in accordance with Section 3.2 or Section 4.12, as applicable. The provisions of this Section 6.3 are intended solely to benefit the Members and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third party beneficiary of this Agreement), and no Member shall have any duty or obligation to any creditor of the Company to make any additional capital contributions or to cause the Board to consent to the making of additional capital contributions.

**Section 6.4 Negative Capital Accounts.** Except as otherwise required by this Agreement, no Member shall be required to make up a negative balance in its Capital Account.

## ARTICLE VII

### ADDITIONAL TERMS APPLICABLE TO OVERRIDE UNITS

#### **Section 7.1 Certain Terms.**

(a) **Valuation of the Override Units.** Override Units will not participate in distributions under Article IX until from and after any point in time when the Current Value is at least equal to the Initial Price. All Override Units will participate in distributions from and after any point in time when the Current Value is at least equal to the Initial Price. Any amount that is not distributed to the holder of any Override Unit as a result of this Section 7.1(a) shall be distributed pursuant to Section 9.1(b).

In the event that any portion of the Override Units does not become eligible to participate in distributions pursuant to this Section 7.1(a) upon the occurrence of an Exit Event, such portion of such Override Units shall automatically be forfeited. Any Override Unit which is forfeited, shall be cancelled for no consideration.

(b) **Calculations.** All calculations required or contemplated by Section 7.1(a) shall be made in the sole determination of the Override Unit Committee and shall be final and binding on the Company and each Management Member.

(c) **Benchmark Amount.** The Board shall determine the Benchmark Amount with respect to each Override Unit at the time such Override Unit is issued to a Management Member, which shall be reflected on Schedule A. The Benchmark Amount of each issued Override Unit shall be reflected on Schedule A, which (together with the provisions of Sections 9.1(b) and (c)) are intended to result in such Override Unit being treated as a profits interest for U.S. federal income tax purposes as of the date such Override Unit is issued.

**Section 7.2 Inactive Management Members.** If a Management Member ceases to provide services to or for the benefit of the Company or one of its Affiliates in connection with the termination of employment of such Member for any reason, the Common Units held by such

Member shall cease to have voting rights and such Member shall be thereafter referred to herein as a “**Inactive Management Member**” with only the rights of an Inactive Management Member specified herein. Notwithstanding the foregoing, such Inactive Management Member shall continue to be treated as a Member (including, for the avoidance of doubt, for purposes of Article IX hereof).

## ARTICLE VIII ALLOCATIONS

### **Section 8.1 Book Allocations of Net Income and Net Loss.**

(a) Except as provided in Section 8.2, Net Income and Net Loss of the Company shall be allocated among the Members’ Capital Accounts as of the end of each Accounting Period or portion thereof in a manner that as closely as possible gives effect to the economic provisions of this Agreement.

(b) Except as otherwise provided in Section 8.2, all items of gross income, gain, loss and deduction included in the computation of Net Income and Net Loss shall be allocated in the same proportion as are Net Income and Net Loss.

### **Section 8.2 Special Book Allocations.**

(a) Qualified Income Offset. If any Member unexpectedly receives any adjustment, allocation or distribution described in Treasury Regulations section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) and such adjustment, allocation or distribution causes or increases a deficit in such Member’s Capital Account in excess of its obligation to make additional Capital Contributions (a “**Deficit**”), items of gross income and gain for such Accounting Period and each subsequent Accounting Period shall be specifically allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit of such Member as quickly as possible; provided that an allocation pursuant to this Section 8.2(a) shall be made only if and to the extent that such Member would have a Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.2(a) were not in this Agreement. This Section 8.2(a) is intended to comply with the qualified income offset provision of Treasury Regulations section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(b) Notwithstanding anything to the contrary in this Agreement, items of gross income, gain, loss or deduction shall be specifically allocated to particular Members to the extent necessary to comply with applicable law (including the requirement to make “forfeiture allocations” within the meaning of Prop. Treas. Reg. Section 1.704-1(b)(4)(xii)).

(c) Restorative Allocations. Any special allocations of items of income or gain pursuant to this Section 8.2 shall be taken into account in computing subsequent allocations pursuant to this Agreement so that the net amount for any item so allocated and all other items allocated to each Member pursuant to this Agreement shall be equal, to the extent possible, to the net amount that would have been allocated to each Member pursuant to the provisions of this Agreement if such special allocations had not occurred.

**Section 8.3 Tax Allocations.** The income, gains, losses, credits and deductions recognized by the Company shall be allocated among the Members, for U.S. federal, state and local income tax purposes, to the extent permitted under the Code and the Treasury Regulations, in the same manner that each such item is allocated to the Members' Capital Accounts. Notwithstanding the foregoing, the Board shall have the power to make such allocations for U.S. federal, state and local income tax purposes so long as such allocations have substantial economic effect, or are otherwise in accordance with the Members' Interests, in each case within the meaning of the Code and the Treasury Regulations. Notwithstanding the previous sentence, in allocating income, gain, loss, credits, and deductions among the Members for U.S. federal, state, and local income tax purposes, the Board has discretion to compute Current Value by assuming that the price per Common Unit will equal the quotient obtained by dividing: (x) the aggregate capital accounts of all Members, by (y) the number of Common Units outstanding, including all Override Units issued and outstanding at the end of the taxable year, other than Override Units that, by their terms would be forfeited in conjunction with the occurrence of an Exit Event if they did not become eligible to participate in distributions pursuant to Section 7.1(a) upon the occurrence of the Exit Event. In accordance with section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for U.S. federal income tax purposes and its Book Value.

**ARTICLE IX**  
**DISTRIBUTIONS**

**Section 9.1 Distributions Generally.**

(a) The Company may make distributions to the Members to the extent that the cash available to the Company is in excess of the reasonably anticipated needs of the business (including reserves). In determining the amount distributable to each Member, the provisions of this Section 9.1 shall be applied in an iterative manner.

(b) Subject to Sections 9.1(c) and (d), any such distributions shall be made to the Members in proportion to the number of Units held by each Member as of the time of such distribution.

(c) The amount of any proposed distribution to a holder of any Override Unit pursuant to Section 9.1(b) in respect of such Override Unit shall be reduced until the total reductions in proposed distributions pursuant to this Section 9.1(c) in respect of such Override Unit equals the Benchmark Amount in respect of such Override Unit. Any amount that is not distributed to the holder of any Override Unit pursuant to this Section 9.1(c) shall be distributed pursuant to Section 9.1(b) and shall remain subject to this Section 9.1(c).

(d) In the event that pursuant to Section 7.1(a) an Override Unit was not previously entitled to participate in an actual distribution made by the Company under Section 9.1(b) but under the terms of Section 7.1(a) such Override Unit is currently entitled to participate in distributions, then Section 9.1(b) notwithstanding, any distributions by the Company shall be

made 100% to the holder of such Override Unit in respect of such Override Unit until the total distributions made pursuant to this Section 9.1(d) in respect of such Override Unit equal the total distributions that would have been made in respect of such Override Unit if such Override Unit (and any other Override Units currently entitled to participate in distributions) had at all times been entitled to participate in distributions to the extent set forth in Section 7.1(a). In the event that this Section 9.1(d) applies to two or more Override Units at the same time, the distributions contemplated by this Section 9.1(d) shall be made in respect of each such Override Unit in proportion to the amounts distributable under this Section 9.1(d) in respect of each such Override Unit. For the avoidance of doubt, this Section 9.1(d) shall not apply to any Override Unit that is forfeited. The Board shall have the power in its sole discretion to make adjustments to the operation of this Section 9.1(d) if the Board determines in its sole discretion that such adjustments will further the intent of this Section 9.1(d).

**Section 9.2 Distributions In Kind.** In the event of a distribution of Company property, such property shall for all purposes of this Agreement be deemed to have been sold at its Fair Market Value and the proceeds of such sale shall be deemed to have been distributed to the Members.

**Section 9.3 No Withdrawal of Capital.** Except as otherwise expressly provided in Article XIII, no Member shall have the right to withdraw capital from the Company or to receive any distribution or return of such Member's Capital Contributions.

**Section 9.4 Withholding.**

(a) Each Member shall, to the fullest extent permitted by applicable law, indemnify and hold harmless each Person who is or who is deemed to be the responsible withholding agent for U.S. federal, state or local income tax purposes against all claims, liabilities and expenses of whatever nature (other than any claims, liabilities and expenses in the nature of penalties and accrued interest thereon that result from such Person's fraud, willful misfeasance, bad faith or gross negligence) relating to such Person's obligation to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or as a result of such Member's participation in the Company.

(b) Notwithstanding any other provision of this Article IX, (i) each Member hereby authorizes the Company to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or any of its Affiliates with respect to such Member or as a result of such Member's participation in the Company and (ii) if and to the extent that the Company shall be required to withhold or pay any such taxes (including any amounts withheld from amounts payable to the Company to the extent attributable, in the judgment of the Members, to such Member's Interest), such Member shall be deemed for all purposes of this Agreement to have received a payment from the Company as of the time such withholding or tax is required to be paid, which payment shall be deemed to be a distribution with respect to such Member's Interest to the extent that the Member (or any successor to such Member's Interest) is then entitled to receive a distribution. To the extent that the aggregate of such payments to a Member for any period exceeds the distributions to which such Member is entitled for such period, such Member shall make a prompt payment to the Company of such amount. It is the intention of the Members that no amounts will be includible as compensation income to any Management



Member, or will give rise to any withholding taxes imposed on compensation income, for United States federal income tax purposes as a result of the receipt, vesting or disposition of, or lapse of any restriction with respect to, any Override Units granted to such Member.

(c) If the Company makes a distribution in kind and such distribution is subject to withholding or other taxes payable by the Company on behalf of any Member, such Member shall make a prompt payment to the Company of the amount of such withholding or other taxes by wire transfer.

**Section 9.5 Restricted Distributions.** Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Interest if such distribution would violate Section 18-607 of the Delaware Act or other applicable law.

**Section 9.6 Tax Distributions.** In the event that the Company sells an equity interest in a Subsidiary, resulting in taxable income being recognized by the Members, or the Members are otherwise allocated taxable income from the Company (in each case, other than upon an Exit Event), the Company may make distributions to the Members to the extent of available cash (as determined by the Board in its discretion) in an amount equal to such income multiplied by a reasonable tax rate determined by the Override Unit Committee; it being understood that, if the Members are allocated material taxable income without corresponding cash distributions sufficient to pay the resulting tax liabilities, it is the Company's intention to make the tax distributions referred to herein; provided that the Board in its sole discretion shall determine whether any such tax distributions will be made. Any distributions made to a Member pursuant to this Section 9.6 shall reduce the amount otherwise distributable to such Member pursuant to the other provisions of this Agreement, so that to the maximum extent possible, the total amount of distributions received by each Member pursuant to this Agreement at any time is the same as such Member would have received if no distribution had been made pursuant to this Section 9.6. To the extent the cumulative sum of tax distributions made to a Member under this Section 9.6 has not been applied pursuant to the preceding sentence to reduce other amounts distributable to such Member, such Member shall contribute to the Company the remaining amounts necessary to give full effect to the preceding sentence on the date of the final liquidating distribution made by the Company pursuant to Section 13.2.

## ARTICLE X

### BOOKS AND RECORDS

**Section 10.1 Books, Records and Financial Statements.** At all times during the continuance of the Company, the Company shall maintain, at its principal place of business, separate books of account for the Company that shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received and all U.S. income derived in connection with the operation of the Company's business in accordance with generally accepted accounting principles consistently applied, and, to the extent inconsistent therewith, in accordance with this Agreement. Such books of account, together with a copy of this Agreement and the Certificate, shall at all times be maintained at the principal place of business of the Company and shall be open to inspection and examination at reasonable times

and upon reasonable notice by each Member and its duly authorized representative for any purpose reasonably related to such Member's Interest; provided that the Company may maintain the confidentiality of Schedule A.

**Section 10.2 Filings of Returns and Other Writings; Tax Matters Partner.**

(a) The Company shall timely file all Company tax returns and shall timely file all other writings required by any governmental authority having jurisdiction to require such filing. Within 90 days after the end of each taxable year (or as soon as reasonably practicable thereafter), the Company shall send to each Person that was a Member at any time during such year copies of Schedule K-1, "Partner's Share of Income, Credits, Deductions, Etc.", or any successor schedule or form, with respect to such Person, together with such additional information as may be necessary for such Person to file his, her or its United States federal income tax returns.

(b) GSCP Onshore shall be the tax matters partner of the Company, within the meaning of section 6231 of the Code (the "**Tax Matters Partner**") unless a Majority in Interest votes otherwise; provided that the Tax Matters Partner shall give prompt notice to Kelso of any item or event with respect to taxes, including a proposed administrative or judicial proceeding involving taxes, and any proposed deficiency or similar notice of intention to assess taxes that could have more than an immaterial affect on Kelso. The Tax Matters Partner will not take any action that could be reasonably expected to have an affect on Kelso that is immaterial without Kelso's consent. Each Member hereby consents to such designation and agrees that upon the request of the Tax Matters Partner, such Member will execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent.

(c) Promptly following the written request of the Tax Matters Partner, the Company shall, to the fullest extent permitted by applicable law, reimburse and indemnify the Tax Matters Partner for all reasonable expenses, including reasonable legal and accounting fees, claims, liabilities, losses and damages incurred by the Tax Matters Partner in connection with any administrative or judicial proceeding with respect to the tax liability of the Members, except to the extent arising from the bad faith, gross negligence, willful violation of law, fraud or breach of this Agreement by such Tax Matters Partner.

(d) The provisions of this Section 10.2 shall survive the termination of the Company or the termination of any Member's Interest and shall remain binding on the Members for as long a period of time as is necessary to resolve with the Internal Revenue Service any and all matters regarding the U.S. federal income taxation of the Company or the Members.

**Section 10.3 Accounting Method.** For both financial and tax reporting purposes, the books and records of the Company shall be kept on the accrual method of accounting applied in a consistent manner and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

## ARTICLE XI

### LIABILITY, EXCULPATION AND INDEMNIFICATION

**Section 11.1 Liability.** Except as otherwise provided by the Delaware Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

**Section 11.2 Exculpation.** No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence, willful misconduct or willful breach of this Agreement.

**Section 11.3 Fiduciary Duty.** Any duties (including fiduciary duties) of a Covered Person to the Company or to any other Covered Person that would otherwise apply at law or in equity are hereby eliminated to the fullest extent permitted under the Delaware Act and any other applicable law; provided that (a) the foregoing shall not eliminate the obligation of each Covered Person to act in compliance with the express terms of this Agreement and (b) the foregoing shall not be deemed to eliminate the implied contractual covenant of good faith and fair dealing. Notwithstanding anything to the contrary contained in this Agreement, each of the Members hereby acknowledges and agrees that each of the Directors, in determining whether or not to vote in support of or against any particular decision for which the Board's consent is required, may act in and consider the best interest of the Member who designated such Director and shall not be required to act in or consider the best interests of the Company or the other Members or parties hereto.

**Section 11.4 Indemnification.** To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence, willful misconduct or willful breach of this Agreement with respect to such acts or omissions; provided, that any indemnity under this Section 11.4 shall be provided out of and to the extent of Company assets only, and no Covered Person shall have any personal liability on account thereof.

**Section 11.5 Expenses.** To the fullest extent permitted by applicable law, expenses (including, without limitation, reasonable attorneys' fees, disbursements, fines and amounts paid in settlement) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding relating to or arising out of their performance of their duties on behalf of the Company shall, from time to time, be advanced by the Company prior to the final disposition of

such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Covered Person is not entitled to be indemnified as authorized in this Section 11.5.

**Section 11.6 Severability.** To the fullest extent permitted by applicable law, if any portion of this Article shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify each Director or Officer and may indemnify each employee or agent of the Company as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Company, to the fullest extent permitted by any applicable portion of this Article XI that shall not have been invalidated.

## ARTICLE XII TRANSFERS OF INTERESTS

### **Section 12.1 Restrictions on Transfers of Interests by Members.**

(a) **Transfers by Investor Members.** Other than a Transfer of Interests by an Investor Member (x) to an Affiliate of such Transferring Investor Member or (y) pursuant to (i) Section 12.8(b) ("Tag-Along Rights"), (ii) pursuant to Section 12.8(c) ("Drag-Along Rights") or (iii) pursuant to the Registration Rights Agreement, all Transfers by an Investor Member shall be made subject to Section 12.8(a) ("Right of First Offer") and Section 12.8(b) ("Tag-Along Rights").

(b) **Transfers by Management Members.** No Management Member may Transfer any Interests including, without limitation, to any other Member, or by gift, or by operation of law or otherwise; provided that, subject to Section 12.2(b) and Section 12.2(c), Interests may be Transferred by a Management Member (i) pursuant to Section 12.3 ("Estate Planning Transfers, Transfers Upon Death of a Management Member"), (ii) in accordance with Section 12.4 ("Involuntary Transfers"), (iii) pursuant to Section 12.8(b) ("Tag-Along Rights"), (iv) pursuant to Section 12.8(c) ("Drag-Along Rights"), (v) pursuant to the Registration Rights Agreement or (vi) pursuant to the prior written approval of the Board in its sole discretion (excluding such Management Member and other members of the Board who are designees of the Management Members).

(c) **Transfers by Outside Members.** No Outside Member may Transfer any Interests including, without limitation, to any other Member, or by gift, or by operation of law or otherwise; provided that, subject to Section 12.2(b) and Section 12.2(c), Interests may be Transferred by an Outside Member (i) in accordance with Section 12.4 ("Involuntary Transfers"), (ii) pursuant to Section 12.8(b) ("Tag-Along Rights"), (iii) pursuant to Section 12.8(c) ("Drag-Along Rights"), (iv) pursuant to the Registration Rights Agreement or (v) pursuant to the prior written approval of the Board in its sole discretion (which, in the case of Magnetite, must include the approval of at least one GSCP Director and one Kelso Director).

**Section 12.2 Overriding Provisions.**

(a) Any Transfer in violation of this Article XII shall be null and void ab initio, and the provisions of Section 12.2(e) shall not apply to any such Transfers. The approval of any Transfer in any one or more instances shall not limit or waive the requirement for such approval in any other or future instance.

(b) All Transfers permitted under this Article XII are subject to this Section 12.2 and Sections 12.5 and 12.6.

(c) Any proposed Transfer by a Member pursuant to the terms of this Article XII shall, in addition to meeting all of the other requirements of this Agreement, satisfy the following conditions: (i) the Transfer will not be effected on or through an “established securities market” or a “secondary market or the substantial equivalent thereof,” as such terms are used in Treasury Regulations section 1.7704-1, and, at the request of the Board, the transferor and the transferee will have each provided the Company a certificate to such effect; and (ii) the proposed transfer will not result in the Company having more than 99 Members, within the meaning of Treasury Regulations section 1.7704-1(h)(1) (determined pursuant to the rules of Treasury Regulations section 1.7704-1(h)(3)). The Board may in its sole discretion waive the condition set forth in clause (ii) of this Section 12.2(c).

(d) The Company shall promptly amend Schedule A to reflect any permitted transfers of Interests pursuant to and in accordance with this Article XII.

(e) The Company shall, from the effective date of any permitted assignment of an Interest (or part thereof), thereafter pay all further distributions on account of such Interest (or part thereof) to the assignee of such Interest (or part thereof); provided that such assignee shall have no right or powers as a Member unless such assignee complies with Section 12.6.

**Section 12.3 Estate Planning Transfers; Transfers upon Death of a Management Member.** Interests held by Management Members may be transferred for estate-planning purposes of such Management Member, to (A) a trust under which the distribution of the Interests may be made only to beneficiaries who are such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants, (B) a charitable remainder trust, the income from which will be paid to such Management Member during his or her life, (C) a corporation, the shareholders of which are only such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants or (D) a partnership or limited liability company, the partners or members of which are only such Management Member, his or her spouse, his or her parents, members of his or her immediate family or his or her lineal descendants. Interests may be transferred as a result of the laws of descent; provided that, in each such case, such Management Member provides prior written notice to the Board of such proposed Transfer and makes available to the Board documentation, as the Board may reasonably request, in order to verify such Transfer.

**Section 12.4 Involuntary Transfers.** Any transfer of title or beneficial ownership of Interests upon default, foreclosure, forfeit, divorce, court order or otherwise than by a voluntary

decision on the part of a Management Member or Outside Member (each, an "**Involuntary Transfer**") shall be void unless the Management Member or Outside Member complies with this Section 12.4 and enables the Company to exercise in full its rights hereunder. Upon any Involuntary Transfer, the Company shall have the right to purchase such Interests pursuant to this Section 12.4 and the Person to whom such Interests have been Transferred (the "**Involuntary Transferee**") shall have the obligation to sell such Interests in accordance with this Section 12.4. Upon the Involuntary Transfer of any Interest, such Management Member or an Outside Member shall promptly (but in no event later than two days after such Involuntary Transfer) furnish written notice to the Company indicating that the Involuntary Transfer has occurred, specifying the name of the Involuntary Transferee, giving a detailed description of the circumstances giving rise to, and stating the legal basis for, the Involuntary Transfer. Upon the receipt of the notice described in the preceding sentence, and for 60 days thereafter, the Company shall have the right to purchase, and the Involuntary Transferee shall have the obligation to sell, all (but not less than all) of the Interests acquired by the Involuntary Transferee for a purchase price equal to the lesser of (i) the Fair Market Value of such Interest and (ii) the amount of the indebtedness or other liability that gave rise to the Involuntary Transfer plus the excess, if any, of the Carrying Value of such Interests over the amount of such indebtedness or other liability that gave rise to the Involuntary Transfer. Notwithstanding anything to the contrary, any Involuntary Transfer of Override Units shall result in the immediate forfeiture of such Override Units and without any compensation therefor, and such Involuntary Transferee shall have no rights with respect to such Override Units.

**Section 12.5 Assignments.**

(a) **Assignment by the Company.** The Company shall have the right to assign to GSCP and Kelso, on a pro rata basis, all or any portion of its rights and obligations under Section 12.4; provided that any such assignment or assumption is accepted by both GSCP and Kelso. If the Company has not exercised its right to purchase Interests pursuant to such Section 12.4 within 15 days of receipt by the Company of the letter, notice or other occurrence giving rise to such right, then GSCP and Kelso shall have the right to jointly require the Company to assign such right. GSCP shall have the right to assign to one or more of the GSCP Members all or any of its rights to purchase Interests pursuant to this Section 12.5(a). Kelso shall have the right to assign to one or more of the Kelso Members all or any of its rights to purchase Interests pursuant to this Section 12.5(a).

(b) **Assignment Generally.** The provisions of this Agreement shall be binding upon and inure to the benefit of the Members hereto and their respective heirs, legal representatives, successors and assigns; **provided** (i) that no Non-Investor Member may assign any of its rights or obligations hereunder without the consent of GSCP and Kelso unless such assignment is in connection with a Transfer explicitly permitted by this Agreement and, prior to such assignment, such assignee complies with the requirements of Section 12.6, (ii) that no Investor Member may assign any of its rights or obligations hereunder without the consent of GSCP (if a Kelso Member is the assigning Investor Member) or Kelso (if GSCP is the assigning Investor Member), as the case may be, unless such assignment is in connection with a Transfer explicitly permitted by this Agreement, and prior to such assignment, such assignee complies with the requirements of Section 12.6 and (iii) that the rights of GSCP and Kelso pursuant to Section 3.7,

Section 4.12, Section 12.8 and Section 12.9 may only be assigned as a whole and not in part (and otherwise in accordance with the provisions of clause (ii) of this proviso).

**Section 12.6 Substitute Members.** In the event any Non-Investor Member or Investor Member Transfers its Interest in compliance with the other provisions of this Article XII (other than Section 12.4), the transferee thereof shall have the right to become a substitute Non-Investor Member or substitute Investor Member, as the case may be, but only upon satisfaction of the following:

(a) execution of such instruments as the Board deems reasonably necessary or desirable to effect such substitution; and

(b) acceptance and agreement in writing by the transferee of the Member's Interest to be bound by all of the terms and provisions of this Agreement and assumption of all obligations under this Agreement (including breaches hereof) applicable to the transferor and in the case of a transferee of a Management Member who resides in a state with a community property system, such transferee causes his or her spouse, if any, to execute a Spousal Waiver in the form of Exhibit A attached hereto. Upon the execution of the instrument of assumption by such transferee and, if applicable, the Spousal Waiver by the spouse of such transferee, such transferee shall enjoy all of the rights and shall be subject to all of the restrictions and obligations of the transferor of such transferee.

**Section 12.7 Release of Liability.** In the event any Member shall sell such Member's entire Interest (other than in connection with an Exit Event) in compliance with the provisions of this Agreement, including, without limitation, pursuant to the penultimate sentence of Section 12.4, without retaining any interest therein, directly or indirectly, then the selling Member shall, to the fullest extent permitted by applicable law, be relieved of any further liability arising hereunder for events occurring from and after the date of such Transfer.

**Section 12.8 Right of First Offer; Tag-Along and Drag-Along Rights.**

(a) **Right of First Offer.** Any Transfers by either GSCP or Kelso (such Investor Member, in such capacity, a "**Transferring Investor Member**"), other than any Transfer described in clauses (x) or (y) of Section 12.1(a), shall be consummated only in accordance with the following procedures:

(i) The Transferring Investor Member shall first deliver to the Company a written notice (a "**First Offer Notice**"), which shall (x) state the Transferring Investor Member's intention to Transfer Interests to one or more Persons, the amount and type of Interests to be sold (the "**Subject Interests**"), the purchase price therefor and a summary of the other material terms of the proposed Transfer and (y) offer to the Company and the Other Investor Member the right to acquire all or a portion of such Subject Interests upon the terms and subject to the conditions of the proposed Transfer as set forth in the First Offer Notice (the "**First Offer**"); provided that such First Offer may provide that it must be accepted by the Company and the Other Investor Members (in the aggregate) on an all or nothing basis (an "**All or Nothing Offer**"). The First Offer shall remain open and irrevocable for the periods set forth below (and, to the extent the First Offer is accepted

during such periods, until the consummation of the Transfer contemplated by the First Offer). The Company shall have the right, for a period of 20 days after delivery of the First Offer Notice (the "**Initial First Offer Acceptance Period**") to accept the First Offer for all or any part of the Subject Interests at the purchase price and on the other terms stated in the First Offer Notice. Such acceptance shall be made by delivering a written notice to the Transferring Investor Member and the Other Investor Member within the Initial First Offer Acceptance Period.

(ii) If the Company shall fail to accept all of the Subject Interests offered for Sale pursuant to, or shall reject in writing, the First Offer (the Company being required to notify in writing the Transferring Investor Member and the Other Investor Member of its rejection or failure to accept in the event of the same), then, upon the earlier of the expiration of the Initial First Offer Acceptance Period or the giving of such written notice of rejection or failure to accept such offer by the Company, the Other Investor Member shall have the right, for a period of 15 days thereafter (the "**Additional First Offer Acceptance Period**"), to accept the First Offer for all or any part of the Subject Interests so offered and not accepted by the Company (the "**Refused Interests**") at the purchase price and on the other terms stated in the First Offer Notice; provided, however, that, if the First Offer is an All or Nothing Offer, the Other Investor Member may accept, during the Additional First Offer Acceptance Period, all, but not less than all, of the Refused Interests, at the purchase price and on the terms stated in the First Offer Notice. Such acceptance shall be made by delivering a written notice to the Company and the Transferring Investor Member within the Additional First Offer Acceptance Period specifying the maximum number of Interests such Other Investor Member will purchase.

(iii) If effective acceptance shall not be received pursuant to Sections 12.8(a)(i) and/or 12.8(a)(ii) above with respect to all of the Subject Interests offered pursuant to the First Offer Notice, then the Transferring Investor Member may Transfer all or any portion of the Interests so offered and not so accepted (or, in the case of an All or Nothing Offer, all of the Subject Interests offered pursuant to the First Offer Notice), at a price not less than the price, and on terms not more favorable to the purchaser thereof than the terms, stated in the First Offer Notice at any time within 90 days (plus a sufficient number of days to allow the expiration or termination of all waiting periods under HSR (as defined below) applicable to such Transfer) after the expiration of the Additional First Offer Acceptance Period (the "**Transfer Period**"). To the extent the Transferring Investor Member Transfers all or any portion of the Interests so offered during the Transfer Period, the Transferring Investor Member shall promptly notify the Company, and the Company shall promptly notify the Other Investor Member, as to (i) the number of Interests, if any, that the Transferring Investor Member then owns, (ii) the number of Interests that the Transferring Investor Member has Transferred, (iii) the terms of such Transfer and (iv) the name of the Person(s) to whom any Interests were Transferred. In the event that all of the Interests are not Transferred by the Transferring Investor Member during the Transfer Period, the right of the Transferring Investor Member to Transfer such Interests which are not Transferred shall expire and the obligations of this Section 12.8(a) shall be reinstated; provided, however, in the event that the Transferring Investor Member determines, at any time during the Transfer Period, that the Transfer of all of the Interests on the terms set forth in the First Offer Notice is



impractical, the Transferring Investor Member may terminate the offer and reinstate the procedure provided in this Section 12.8(a) without waiting for the expiration of the Transfer Period; provided that such Transferring Investor Member has not previously done so within the preceding six month period.

(iv) All Transfers of Subject Interests to the Company and/or the Other Investor Member subject to any First Offer Notice shall be consummated contemporaneously at the offices of the Company on the later of (i) a mutually satisfactory business day within 15 days after the expiration of the Initial First Offer Acceptance Period, or the Additional First Offer Acceptance Period, as applicable, and (ii) the fifth business day following the expiration or termination of all waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("**HSR**"), applicable to such Transfers, or at such other time and/or place as the parties to such Transfers may agree. The delivery of certificates or other instruments evidencing such Subject Interests duly endorsed for transfer shall be made on such date against payment of the purchase price for such Subject Interests.

(v) Anything contained herein to the contrary notwithstanding, prior to any Transfer of Interests by a Transferring Investor Member pursuant to this Section 12.8(a), the Transferring Investor Member shall, after complying with the provisions of this Section 12.8(a), comply with the provisions of Section 12.8(b) hereof, if applicable.

(b) **Tag-Along Rights.** In the event that a Selling Investor Member proposes to Transfer Interests, other than any Transfer to an Affiliate of such Selling Investor Member, and such Interests would represent, together with all Interests previously Transferred by such Selling Investor Member to non-Affiliates of such Selling Investor Member, more than 10% of such Selling Investor Member's Common Units held on the date hereof, then at least thirty (30) days prior to effecting such Transfer, such Selling Investor Member shall give each other Member written notice of such proposed Transfer. Each other Member shall then have the right (the "**Tag-Along Right**"), exercisable by written notice to the Selling Investor Member, to participate pro rata in such sale by selling a pro rata portion of such other Member's Common Units on substantially the same terms (including with respect to representations, warranties and indemnification) as the Selling Investor Member; provided, however, that (x) any representations and warranties relating specifically to any Member shall only be made by that Member; (y) any indemnification provided by the Members (other than with respect to the representations referenced in the foregoing subsection (x)) shall be based on the relative Interests being sold by each Member in the proposed sale, either on a several, not joint, basis or solely with recourse to an escrow established for the benefit of the proposed purchaser (the Members' contributions to such escrow to be on a pro-rata basis in accordance with the proceeds received from such sale), it being understood and agreed that any such indemnification obligation of an Member shall in no event exceed the net proceeds to such Member from such proposed Transfer; and (z) the form of consideration to be received by the Selling Investor Member in connection with the proposed sale may be different from that received by the other Members so long as the value of the consideration to be received by the Selling Member is the same or less than what they would have received had they received the same form of consideration as the other Members. In the event that a sale by the Selling Member does not constitute an Exit Event then, unless otherwise

determined by the Override Unit Committee in its sole discretion, Management Members may only participate in such sale with respect to their Common Units.

(c) Drag-Along Rights. (i) In the event that on or after the fifth anniversary hereof a Selling Investor Member owning, alone or together with any other Member, more than 30% of the then outstanding Common Units (A) proposes to Transfer Interests, other than any Transfer to an Affiliate of such Selling Investor Member, and such Interests would represent more than 30% of the then outstanding Common Units, or (B) desires to effect an Exit Event, such Selling Investor Member shall have the right (the "**Drag-Along Right**"), upon written notice to the other Members, to require that each other Member join pro rata in such sale by selling a pro rata portion of such other Member's Common Units on substantially the same terms (including with respect to representations, warranties and indemnification) as such Selling Investor Member; provided, however, that (x) any representations and warranties relating specifically to any Member (other than with respect to the representations referenced in the foregoing subsection (x)) shall only be made by that Member; (y) any indemnification provided by the Members shall be based on the relative purchase price being received by each Member in the proposed sale, either on a several, not joint, basis or solely with recourse to an escrow established for the benefit of the proposed purchaser (the Members' contributions to such escrow to be on a pro rata basis in accordance with the proceeds received from such sale), it being understood and agreed that any such indemnification obligation of a Member shall in no event exceed the net proceeds to such Member from such proposed Transfer; and (z) the form of consideration to be received by the Selling Investor Member in connection with the proposed sale may be different from that received by the other Members so long as the value of the consideration to be received by the Selling Investor Member is the same or less than what they would have received had they received the same form of consideration as the other Members (as reasonably determined by the Board in good faith). For purposes of this Section 12.8, for each Member "joining the Selling Investor Member in such sale" shall include voting its Interests consistently with the Selling Investor Member, transferring its Interests to a corporation organized in anticipation of such sale in exchange for capital stock of such corporation, executing and delivering agreements and documents which are being executed and delivered by the Selling Investor Member and providing such other cooperation as the Selling Investor Member may reasonably request.

(ii) Any Exit Event may be structured as an auction and may be initiated by the delivery to the Company and the other Members of a written notice that the Selling Investor Member has elected to initiate an auction sale procedure. The Selling Investor Member shall be entitled to take all steps reasonably necessary to carry out an auction of the Company, including, without limitation, selecting an investment bank, providing confidential information (pursuant to confidentiality agreements), selecting the winning bidder and negotiating the requisite documentation. The Company and each Member shall provide assistance with respect to these actions as reasonably requested.

(iii) In the event the Selling Investor Member sells less than 100% of its Common Units in the Company, joining "pro rata in such sale" shall be based on relative Common Units unless the Override Unit Committee in its sole discretion determines that the Override Units shall participate in the sale, in which case the principles of clause (iv) of this Section 12.8(c) shall apply.

(iv) In the event that an Exit Event is structured as a sale of Interests by the Members, rather than a sale of the Company's assets with a subsequent distribution of proceeds by the Company, then the purchase agreement governing such Interest sale will have provisions therein which replicate, to the greatest extent possible, the economic result which would have been attained under Articles IX and XIII had the Exit Event been structured as a sale of the Company's assets and a distribution of proceeds.

(d) Any transaction costs, including transfer taxes and legal, accounting and investment banking fees incurred by the Company and the Selling Investor Member in connection with an Exit Event shall, unless the applicable purchaser refuses, be borne by the Company in the event of a merger, consolidation or sale of assets and shall otherwise be borne by the Members on a pro rata basis based on the consideration received by each Member in such Exit Event.

**Section 12.9 Initial Public Offering.**

(a) Generally. Upon (i) a joint determination by both GSCP and Kelso or (ii) following the third anniversary of the date hereof, a determination by either GSCP or Kelso to effect an Initial Public Offering, the Board and each other Member shall take such actions as are necessary to structure the IPO in a manner acceptable to such Investor Members or such Investor Member, as the case may be, including, without limitation, causing the public offering of the stock of an existing or newly formed Subsidiary of the Company (a "Subsidiary IPO") or effecting any Transfers, mergers, consolidations or restructurings pursuant to Section 12.9(b) and making any such amendments to this Agreement as may be deemed by such Investor Members or such Investor Members, as the case may be, to be necessary to facilitate such IPO; provided that, if only one of GSCP or Kelso requests any of the foregoing actions to be taken, any such action, to the extent it would adversely impact the other Investor Member (Kelso or GSCP, as the case may be) in a manner differently than it impacts the requesting Investor Member, shall be subject to the prior approval of such other Investor Member, such approval not to be unreasonably withheld.

(b) IPO of Newco or the Company. In the event that both GSCP and Kelso or either GSCP or Kelso request an IPO pursuant to Section 12.9(a) above, the parties or party requesting such IPO can require in order to facilitate such IPO (i) a Transfer of all or substantially all of (x) the assets of the Company or (y) the Interests to a newly organized stock corporation or other business entity ("Newco"), (ii) a merger of the Company into Newco by merger or consolidation or (iii) any other restructuring of the Interests, in any such case in anticipation of an Initial Public Offering, and each Member shall take such steps to effect such Transfer, merger, consolidation or other restructuring as may be requested by such Investor Members or Investor Member, as the case may be, or as may be requested by the Company, including, without limitation, Transferring such Member's Interests to Newco in exchange for capital stock of Newco; provided, that, in the event of such an exchange, each Interest would be exchanged for a number of shares of Newco stock determined in a manner such that each Member is treated no less favorably than such Member would have been treated upon an Exit Event (assuming the value of the consideration to be received by such Investor Members or such Investor Member, as the case may be, in the Exit Event is the mid-point of the filing range in the IPO); and provided, further, in lieu of effecting such exchange of the Common Units (and/or at the option and request of such Investor Members or Investor Member, as the case may be, Override Units) of Management Members, the

Company shall, at the request of such Investor Members or Investor Member, as the case may be, pay to the Management Members cash in an amount equal to the aggregate Fair Market Value of the shares such Management Member would, otherwise, have received pursuant to the preceding proviso. Notwithstanding the preceding sentence, no Member shall be required to take any action or omit to take any action to the extent such action or omission violates applicable law. If GSCP and Kelso or either of them determines to effect an IPO pursuant to this Section 12.9 and the Members receive shares of Newco pursuant to any such Transfer, merger, consolidation or restructuring, (i) each other Member agrees to enter (as an "Investor Stockholder," "Management Stockholder" or "Outside Stockholder," respectively, as set forth therein) into a Registration Rights Agreement substantially in the form of Exhibit C hereto, which Registration Rights Agreement shall set forth the respective rights and obligations of the parties with respect to participating in such IPO of Newco and (ii) this Agreement shall automatically terminate upon an IPO of Newco or the Company.

(c) Subsidiary IPO. In the event that both GSCP and Kelso or either GSCP or Kelso request an IPO pursuant to Section 12.9(a) and elect that such IPO occur through a Subsidiary IPO, then (i) this Agreement shall continue to remain in full force and effect with any amendments or modifications thereto as shall be effectuated by the Investor Members or Investor Member requesting such IPO in accordance with Section 12.9(a) above; provided that, following such Subsidiary IPO (A) the governance provisions herein shall apply only with respect to the Company and not with respect to any Subsidiary of the Company, (B) the Company shall not vote any shares of such existing or newly formed Subsidiary in favor of any action without the prior written consent of (L) either GSCP or at least one GSCP Director for so long as GSCP continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount and (ll) either Kelso or at least one Kelso Director for so long as Kelso continues to hold an amount of Common Units that represents both the Requisite Outstanding Amount and the Requisite Original Amount, and (C) the provisions of Article XII (other than this Section 12.9) shall cease to apply, (ii) the Company and such existing or newly formed Subsidiary shall enter into a Registration Rights Agreement that is substantially similar to the Registration Rights Agreement attached as Exhibit C hereto, except that such Registration Rights Agreement will provide for rights of the Company to request registrations of its equity interests in such existing or newly formed Subsidiary (and to piggyback on such registrations) rather than providing for the rights of Members to participate directly in public offerings and (iii) the Members shall amend this Agreement or enter into such ancillary agreements as they deem necessary to permit such Members to achieve liquidity with respect to their Interest in the Company (indirectly, through the Company's exercise of its registration rights in such existing or newly formed Subsidiary and through the Company's use of the proceeds resulting therefrom to redeem Units from Members) to the same extent as they would have been entitled to do had there been an IPO of Newco rather than a Subsidiary IPO.

### ARTICLE XIII

#### DISSOLUTION, LIQUIDATION AND TERMINATION

**Section 13.1 Dissolving Events.** The Company shall be dissolved and its affairs wound up in the manner hereinafter provided upon the happening of any of the following events:

(a) the Board and the Members shall vote or agree in writing to dissolve the Company pursuant to the required votes set forth in Section 3.3(d), Section 4.3 and Section 4.12, respectively; or

(b) any event which, under applicable law, would cause the dissolution of the Company; provided that, unless required by applicable law, the Company shall not be wound up as a result of any such event and the business of the Company shall continue.

Notwithstanding the foregoing, the death, retirement, resignation, expulsion, bankruptcy or dissolution of any Member or the occurrence of any other event that terminates the continued membership of any Member in the Company under the Delaware Act shall not, in and of itself, cause the dissolution of the Company. In such event, the remaining Member(s) shall continue the business of the Company without dissolution.

**Section 13.2 Dissolution and Winding-Up.** Upon the dissolution of the Company, the assets of the Company shall be liquidated or distributed under the direction of, and to the extent determined by, the Board, and the business of the Company shall be wound up. Within a reasonable time after the effective date of dissolution of the Company, the Company's assets shall be distributed in the following manner and order:

First, to creditors in satisfaction of indebtedness (other than any loans or advances that may have been made by any of the Members to the Company), whether by payment or the making of reasonable provision for payment, and the expenses of liquidation, whether by payment or the making of reasonable provision for payment, including the establishment of reasonable reserves (which may be funded by a liquidating trust) determined by the Board or the liquidating trustee, as the case may be, to be reasonably necessary for the payment of the Company's expenses, liabilities and other obligations (whether fixed, conditional, unmatured or contingent);

Second, to the payment of loans or advances that may have been made by any of the Members to the Company; and

Third, to the Members in accordance with Section 9.1, taking into account any amounts previously distributed under Section 9.1;

provided that no payment or distribution in any of the foregoing categories shall be made until all payments in each prior category shall have been made in full, and provided, further, that, if the payments due to be made in any of the foregoing categories exceed the remaining assets available for such purpose, such payments shall be made to the Persons entitled to receive the same pro rata in accordance with the respective amounts due to them.

**Section 13.3 Distributions in Cash or in Kind.** Upon the dissolution of the Company, the Board shall use all commercially reasonable efforts to liquidate all of the Company's assets in an orderly manner and apply the proceeds of such liquidation as set forth in Section 13.2; provided that, if in the good faith judgment of the Board, a Company asset should not be liquidated, the Board shall cause the Company to allocate, on the basis of the Fair Market Value of any Company assets not sold or otherwise disposed of, any unrealized gain or loss based on such value to the Members' Capital Accounts as though the assets in question had been sold on

the date of distribution and, after giving effect to any such adjustment, distribute such assets in accordance with Section 13.2 as if such Fair Market Value had been received in cash, subject to the priorities set forth in Section 13.2, and provided, further, that the Board shall in good faith attempt to liquidate sufficient Company assets to satisfy in cash (or make reasonable provision for) the debts and liabilities referred to in Section 13.2.

**Section 13.4 Termination.** The Company shall terminate when the winding up of the Company's affairs has been completed, all of the assets of the Company have been distributed and the Certificate has been canceled, all in accordance with the Delaware Act.

**Section 13.5 Claims of the Members.** The Members and former Members shall look solely to the Company's assets for the return of their Capital Contributions, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities and obligations of the Company are insufficient to return such Capital Contributions, the Members and former Members shall have no recourse against the Company or any other Member.

#### ARTICLE XIV MISCELLANEOUS

**Section 14.1 Notices.** All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(a) If to the Company:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: John J. Lipinski  
Facsimile No.: (913) 981-0000

with copies (which shall not constitute notice) to:

GS Capital Partners V Fund, L.P.  
c/o Goldman, Sachs & Co.  
85 Broad Street  
New York, New York 10004  
Attention: Kenneth Pontarelli  
Facsimile No.: (212) 357-5505

Kelso & Company, L.P.  
320 Park Avenue, 24th Floor  
New York, New York 10022  
Attention: James J. Connors II  
Facsimile No.: (212) 223-2379

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000  
and

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

(b) If to a Member, at the address set forth opposite such Member's name on Schedule A attached hereto, or at such other address as such Member may hereafter designate by written notice to the Company.

All such notices, requests, demands, waivers and other communications shall be deemed to have been received by (w) if by personal delivery, on the day delivered, (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

**Section 14.2 Securities Act Matters.** Each Member understands that, in addition to the restrictions on transfer contained in this Agreement, he or she must bear the economic risks of his or her investment for an indefinite period because the Interests have not been registered under the Securities Act.

**Section 14.3 Headings.** The headings to sections in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

**Section 14.4 Entire Agreement.** This Agreement constitutes the entire agreement among the Members with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to the matters referred to herein. There are no representations, warranties, promises, inducements, covenants or undertakings relating to the Units, other than those expressly set forth or referred to herein.

**Section 14.5 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

**Section 14.6 Governing Law; Attorneys' Fees.** This Agreement and the rights and obligations of the Members hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof. The substantially prevailing party in any action or proceeding relating to this Agreement shall be entitled to receive an award of, and to recover

from the other party or parties, any fees or expenses incurred by him, her or it (including, without limitation, reasonable attorneys' fees and disbursements) in connection with any such action or proceeding.

**Section 14.7 Waivers.** Except as may otherwise be provided by applicable law in connection with the winding-up, liquidation and dissolution of the Company, each Member hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Company's property.

Waiver by any Member hereto of any breach or default by any other Member of any of the terms of this Agreement shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the Members hereto or from any failure by any Member to assert its or his or her rights hereunder on any occasion or series of occasions.

EACH MEMBER HEREBY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR THE BREACH, TERMINATION OR VALIDITY OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**Section 14.8 Invalidity of Provision.** The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

**Section 14.9 Further Actions.** Each Member shall execute and deliver such other certificates, agreements and documents, and take such other actions, as may reasonably be requested by the Company in connection with the continuation of the Company and the achievement of its purposes, including, without limitation, (a) any documents that the Company deems necessary or appropriate to continue the Company as a limited liability company in all jurisdictions in which the Company or its Subsidiaries conduct or plan to conduct business and (b) all such agreements, certificates, tax statements and other documents as may be required to be filed in respect of the Company.

**Section 14.10 Amendments.**

(a) Subject to the amendment provisions of Section 12.9(a), this Agreement may not be amended, modified or supplemented except by a written instrument signed by each of the Investor Members; provided, however, that the Board may, pursuant to Sections 3.2, 3.6, 6.2 and 12.2, make such modifications to this Agreement, including Schedule A, as are necessary to admit Additional Members. Notwithstanding the foregoing, no amendment, modification or supplement shall adversely affect the Management Members as a class without the consent of a Majority in Interest (exclusive of Override Units) of the Management Members or, to the extent (and only to the extent) any particular Management Member would be uniquely and adversely affected by a proposed amendment, modification or supplement, by such Management Member;



provided, however, that, in either case, no such consent shall be required for (i) any amendments, modifications or supplements to Article IV, (ii) any amendments, modifications or supplements effectuated pursuant to Section 12.9, or (iii) for the issuance of additional Units pursuant to Article III. The Company shall notify all Members after any such amendment, modification or supplement, other than any amendments to Schedule A, as permitted herein, has taken effect.

(b) Notwithstanding Section 14.10(a), each Member shall, and shall cause each of its Affiliates and transferees to, take any action jointly requested by the Kelso Member and the GSCP Member that is designed to comply with the finalization of proposed Treasury Regulations relating to the issuance of partnership equity for services and any other Treasury Regulation, Revenue Procedure, or other guidance issued with respect thereto. Without limiting the foregoing, such action may include authorizing the Company to make any election, agreeing to any condition imposed on such Member, its Affiliates or its transferee, executing any amendment to this Agreement or other agreements, executing any new agreement, and agreeing not to take any contrary position on any tax return or other filing.

**Section 14.11 No Third Party Beneficiaries.** Except as otherwise provided herein, this Agreement is not intended to, and does not, confer upon any Person, except for the parties hereto, any rights or remedies hereunder.

**Section 14.12 Injunctive Relief.** The Units cannot readily be purchased or sold in the open market, and for that reason, among others, the Company and the Members will be irreparably damaged in the event this Agreement is not specifically enforced. Each of the Members therefore agrees that, in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which the Company or any Member may have. Each Member hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts in New York for the purposes of any suit, action or other proceeding arising out of, or based upon, this Agreement or the subject matter hereof. Each Member hereby consents to service of process made in accordance with Section 14.1.

**Section 14.13 Power of Attorney.** Each Member hereby constitutes and appoints GSCP and Kelso as his or her true and lawful joint representative and attorney-in-fact in his or her name, place and stead to make, execute, acknowledge, record and file the following:

(a) any amendment to the Certificate which may be required by the laws of the State of Delaware because of:

- (i) any duly made amendment to this Agreement, or
- (ii) any change in the information contained in such Certificate, or any amendment thereto;

(b) any other certificate or instrument which may be required to be filed by the Company under the laws of the State of Delaware or under the applicable laws of any other jurisdiction in which counsel to the Company determines that it is advisable to file;

(c) any certificate or other instrument which GSCP and Kelso or the Board deems necessary or desirable to effect a termination and dissolution of the Company which is authorized under this Agreement;

(d) any amendments to this Agreement, duly adopted in accordance with the terms of this Agreement; and

(e) any other instruments that GSCP and Kelso or the Board may deem necessary or desirable to carry out fully the provisions of this Agreement; provided, however, that any action taken pursuant to this power shall not, in any way, increase the liability of the Members beyond the liability expressly set forth in this Agreement, and provided, further, that, where action by a majority of the Board is required, such action shall have been taken.

Such attorney-in-fact is not by the provisions of this Section 14.13 granted any authority on behalf of the undersigned to amend this Agreement, except as provided for in this Agreement. Such power of attorney is coupled with an interest and shall continue in full force and effect notwithstanding the subsequent death or incapacity of the Member granting such power of attorney.

**Section 14.14 Marketing Materials.** The Company grants each Investor Member and their respective Affiliates permission to use the Company's name and logo in marketing materials of such Investor Member or any of its Affiliates. Such Investor Member or its Affiliates, as applicable, shall include a trademark attribution notice giving notice of the Company's ownership of its trademarks in the marketing materials in which the Company's name and logo appear.

**Section 14.15 Notice of Events.** The Company shall notify each Investor Member, on a reasonably current basis, of any events, discussions, notices or changes with respect to any criminal or regulatory investigation or action involving the Company or any of its subsidiaries (but, excluding traffic violations or similar misdemeanors), and shall reasonably cooperate with such Investor Member or its Affiliates in efforts to mitigate any adverse consequences to such Investor Member or its Affiliates which may arise (including by coordinating and providing assistance in meeting with regulators).

## ARTICLE XV

### DEFINED TERMS

#### **Section 15.1 Definitions.**

"Accounting Period" means, for the first Accounting Period, the period commencing on the date hereof and ending on the next Adjustment Date. All succeeding Accounting Periods shall commence on the day after an Adjustment Date and end on the next Adjustment Date.

"Additional First Offer Acceptance Period" has the meaning given in Section 12.8(a)(ii).

"Additional Member" has the meaning given in Section 3.6(a).

“Additional Purchase Amount” has the meaning given in Section 3.7.

“Adjustment Date” means the last day of each fiscal year of the Company or any other date determined by the Board, in its sole discretion, as appropriate for an interim closing of the Company’s books.

“Affiliate” means, with respect to a specified Person, any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the specified Person. As used in this definition, the term “control” 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 ownership of voting securities, by contract or otherwise.

“Agreement” means this Amended and Restated Limited Liability Company Agreement of the Company, as this agreement may be amended, modified, supplemented or restated from time to time after the date hereof.

“All or Nothing Offer” has the meaning given in Section 12.8(a)(ii).

“Benchmark Amount” means the amount set with respect to an Override Unit pursuant to Section 7.1(c).

“Board” has the meaning given in Section 4.1(a).

“Book Value” means with respect to any asset, the asset’s adjusted basis for U.S. federal income tax purposes, except as follows: (i) the Book Value of any asset contributed or deemed contributed by a Member to the Company shall be the gross fair market value of such asset at the time of contribution as reasonably determined by the Board; (ii) the Book Value of any asset distributed or deemed distributed by the Company to any Member shall be adjusted immediately prior to such distribution to equal its gross fair market value at such time as reasonably determined by the Board; (iii) the Book Values of all Company assets may be adjusted in the discretion of the Board to equal their respective gross fair market values, as reasonably determined by the Board as of (1) the date of the acquisition of an additional interest in the Company by any new or existing Member in exchange for a contribution to the capital of the Company; or (2) upon the liquidation of the Company (including upon interim liquidating distributions), or the distribution by the Company to a retiring or continuing Member of money or other Company property in reduction of such Member’s interest in the Company; (iv) any adjustments to the adjusted basis of any asset of the Company pursuant to Sections 734 or 743 of the Code shall be taken into account in determining such asset’s Book Value in a manner consistent with Treasury Regulation Section 1.704-1(b)(2)(iv)(m); and (v) if the Book Value of an asset has been determined pursuant to clause (i) or adjusted pursuant to clauses (iii) or (iv) above, to the extent and in the manner permitted in the Treasury Regulations, adjustments to such Book Value for depreciation and amortization with respect to such asset shall be calculated by reference to Book Value, instead of tax basis.

“Capital Account” has the meaning given in Section 6.1.

“Capital Contribution” means, for any Member, the total amount of cash and the Fair Market Value of any property contributed to the Company by such Member.

“Carrying Value” means, with respect to any Interest purchased by the Company, the value equal to the Capital Contribution, if any, made by the selling Management Member in respect of any such Interest less the amount of distributions made in respect of such Interest.

“Certificate” means the Certificate of Formation of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the office of the Secretary of State of the State of Delaware pursuant to the Delaware Act.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Units” means a class of Interests in the Company, as described in Section 3.2(a). For the avoidance of doubt, Common Units shall not include Override Units.

“Company” has the meaning given in the introductory paragraph to this Agreement.

“Covered Person” means a current or former Member or Director, an Affiliate of a current or former Member or Director, any officer, director, shareholder, partner, member, employee, advisor, representative or agent of a current or former Member or Director or any of their respective Affiliates, or any current or former officer, employee or agent of the Company or any of its Affiliates.

“Current Value” means, as of any given time, the sum of (A) the aggregate amount of distributions pursuant to Section 9.1 received by the Investor Members prior to such time (including, for the avoidance of doubt, any portion of any distribution with respect to which Current Value is being determined) in respect of Common Units plus (B) if such distribution is to be made in connection with an Exit Event the product of (i) the aggregate amount per Common Unit of distributions pursuant to Section 9.1 to be received by the Investor Members upon such Exit Event, which shall be determined assuming that all Override Units issued and outstanding at the date of the Exit Event (but excluding, any Override Units (including, without limitation, Override Units issued hereunder), which, by their terms, would be forfeited in conjunction with the occurrence of such Exit Event if they did not become eligible to participate in distributions pursuant to Section 7.1(a) upon the occurrence of the Exit Event) are treated as if they were Common Units immediately prior to the Exit Event and (ii) the Investor Member Units outstanding as of the occurrence of such Exit Event.

“Deficit” has the meaning given in Section 8.2(a).

“Delaware Act” means the Delaware Limited Liability Company Act, 6 Del. C. §18-101, et seq., as amended from time to time.

“Director” has the meaning given in Section 4.1(a).

“Drag-Along Right” has the meaning given in Section 12.8(c)(i).

“ECI” means income that is “effectively connected with the conduct of a trade or business within the United States” within the meaning of sections 871 and 882 of the Code (including income treated as so effectively connected under section 897 of the Code).

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“Exit Event” means a transaction or a combination or series of transactions (other than an Initial Public Offering) resulting in:

- (a) the sale, transfer or other disposition by the Investor Members to one or more Persons that are not, immediately prior to such sale, Affiliates of the Company or any Investor Member of all of the Interests of the Company beneficially owned by the Investor Members as of the date of such transaction; or
- (b) the sale, transfer or other disposition of all of the assets of the Company and its Subsidiaries, taken as a whole, to one or more Persons that are not, immediately prior to such sale, transfer or other disposition, Affiliates of the Company or any Investor Member.

“Fair Market Value” means, as of any date,

- (a) for purposes of determining the value of any property owned by, contributed to or distributed by the Company, (i) in the case of publicly-traded securities, the average of their last sales prices on the applicable trading exchange or quotation system on each trading day during the five trading-day period ending on such date and (ii) in the case of any other property, the fair market value of such property, as determined in good faith by the Board, or
- (b) for purposes of determining the value of any Member’s Interest in connection with Section 12.4 (“Involuntary Transfers”), (i) the fair market value of such Interest as reflected in the most recent appraisal report prepared, at the request of the Board, by an independent valuation consultant or appraiser of recognized national standing, reasonably satisfactory to each of GSCP and Kelso, or (ii) in the event no such appraisal exists or the date of such report is more than one year prior to the date of determination, the fair market value of such Interest as determined in good faith by the Board.

“First Company Notice” has the meaning given in Section 3.7(b).

“First Offer” has the meaning given in Section 12.8(a)(i).

“First Offer Notice” has the meaning given in Section 12.8(a)(i).

“Five Percent Test” has the meaning given in Section 4.1(b)(ii)(1).

“GSCP” means GSCP Onshore, together with GSCP V Offshore Coffeyville Holdings, L.P., a Delaware limited partnership, GSCP Institutional GSCP Institutional Coffeyville

Holdings, L.P., a Delaware limited partnership, and GSCP V GmbH Coffeyville Holdings, L.P., a Delaware limited partnership.

“GSCP Director” means a Director appointed or designated for election solely by GSCP.

“GSCP Institutional” means GS Capital Partners V Institutional, L.P., a Delaware limited partnership.

“GSCP Member” has the meaning given in the introductory paragraph to this Agreement.

“GSCP Onshore” means GS Capital Partners V Fund, L.P., a Delaware limited partnership.

“HSR” has the meaning given in Section 12.8(a)(iv).

“Inactive Management Member” has the meaning given in Section 7.2.

“Initial First Offer Acceptance Period” has the meaning given in Section 12.8(a)(i).

“Initial Price” means the product of (i) the Investor Members’ average cost per each Investor Member Unit times (ii) the total number of Investor Member Units.

“Initial Public Offering” or “IPO” means the first underwritten public offering of the common stock of a successor corporation to the Company or a Subsidiary of the Company to the general public through a registration statement filed with the Securities and Exchange Commission that covers (together with prior effective registrations) (i) not less than 25% of the then outstanding shares of common stock of such successor corporation or such Subsidiary of the Company on a fully diluted basis or (ii) shares of such successor corporation or such Subsidiary of the Company that will be traded on any of the New York Stock Exchange, the American Stock Exchange or the National Association of Securities Dealers Automated Quotation System after the close of any such general public offering.

“Initial Purchase Amount” has the meaning given in Section 3.7(b).

“Interest” means a limited liability interest in the Company, which represents the interest of each Member in and to the profits and losses of the Company and such Member’s right to receive distributions of the Company’s assets, as set forth in this Agreement.

“Investor Member Units” means the aggregate member of Units held by the Investor Members at the time of measurement.

“Investor Members” has the meaning given in the introductory paragraph to this Agreement.

“Involuntary Transfer” has the meaning given in Section 12.4.

“Involuntary Transferee” has the meaning given in Section 12.4.

“Kelso” means Kelso Investment Associates VII, L.P., a Delaware limited partnership, together with KEP VI, LLC, a Delaware limited liability company.

“Kelso Director” means a Director appointed or designated for election solely by Kelso.

“Kelso Member” has the meaning given in the introductory paragraph to this Agreement.

“Magnetite” means Magnetite Asset Investors III L.L.C., an Outside Member.

“Majority in Interest” means, as of any given record date or other applicable time, the holders of a majority of the outstanding Units held by Members as of such date that are entitled to vote at a meeting of Members or to consent in writing in lieu of a meeting of Members.

“Management Member” has the meaning given in the introductory paragraph to this Agreement. A Management Member shall be deemed not to be a “manager” within the meaning of the Delaware Act (except to the extent Section 4.1(b)(i) applies).

“Member” has the meaning given in the introductory paragraph to this Agreement and includes (i) any Person admitted as an additional or substitute Member of the Company pursuant to this Agreement and (ii) for the avoidance of doubt, Inactive Management Members.

“Net Income” and “Net Loss” mean, respectively, for any period the taxable income and taxable loss of the Company for the period as determined for U.S. federal income tax purposes, provided that for the purpose of determining Net Income and Net Loss (and for purposes of determining items of gross income, loss, deduction and expense in applying Sections 8.1 and 8.2, but not for income tax purposes): (i) there shall be taken into account any items required to be separately stated under Section 703(a) of the Code, (ii) any income of the Company that is exempt from federal income taxation and not otherwise taken into account in computing Net Income and Net Loss shall be added to such taxable income or loss; (iii) if the Book Value of any asset differs from its adjusted tax basis for federal income tax purposes, any depreciation, amortization or gain or loss resulting from a disposition of such asset shall be calculated with reference to such Book Value; (iv) upon an adjustment to the Book Value of any asset, pursuant to the definition of Book Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (v) any expenditure of the Company described in Section 705(a)(2)(B) of the Code or treated as such an expenditure pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition, shall be subtracted from such taxable income or loss; (vi) to the extent an adjustment to the adjusted tax basis of any asset included in Company property pursuant to Section 734(b) of the Code is required pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for the purposes of computing Net Income and Net Loss; and (vii) items allocated pursuant to Section 8.2 shall not be taken into account in computing Net Income or Net Loss.

“Newco” has the meaning given in Section 12.9(b)(i).

“Non-Investor Member” has the meaning given in the introductory paragraph to this Agreement.

“Officers” has the meaning given in Section 4.11.

“Other Investor Member” means, for purposes of Section 12.8(a), Kelso, if GSCP is the Transferring Investor Member, and GSCP, if Kelso is the Transferring Investor Member.

“Outside Member” has the meaning given in the introductory paragraph to this Agreement

“Override Unit Committee” means the committee constituted in accordance with Section 4.5.

“Override Units” means a class of Interest in the Company, as described in Section 3.2(b).

“Person” means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

“Proposed Third Party Interests” has the meaning given in Section 3.7(a).

“Pro Rata Preemptive Amount” has the meaning given in Section 3.7(b).

“Refused Interests” has the meaning given in Section 12.8(a).

“Registration Rights Agreement” means a Registration Rights Agreement, substantially in the form of Exhibit C hereto.

“Rejected Amount” has the meaning given in Section 3.7(b).

“Requisite Original Amount” has the meaning given in Section 4.1(b)(ii)(1).

“Requisite Outstanding Amount” has the meaning given in Section 4.1(b)(ii)(1).

“Rule 144” has the meaning given in section 5.1(b)(iv).

“Second Company Notice” has the meaning given in Section 3.7.

“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Selling Investor Member” means GSCP or Kelso, as the case may be, in its capacity as an Investor Member proposing a Transfer of Interests or an Exit Event triggering the rights provided in Section 12.8(b) or (c) hereof.

“Subject Interests” has the meaning given in Section 12.8(a)(i).

“Subsidiary” means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof.



“Subsidiary IPO” has the meaning given in Section 12.9(a)(ii).

“Tag-Along Right” has the meaning given in Section 12.8(b).

“Tax Matters Partner” has the meaning given in Section 10.2(b).

“Transfer” means to directly or indirectly transfer, sell, pledge, hypothecate or otherwise dispose of.

“Transfer Period” has the meaning given in Section 12.8(a)(iii).

“Transferring Investor Member” has the meaning given in Section 12.8(a).

“Treasury Regulations” means the Regulations of the Treasury Department of the United States issued pursuant to the Code.

“UBTI” means “unrelated business taxable income” within the meaning of section 512 of the Code, determined without regard to the special rules contained in section 512(a)(3) of the Code that are applicable solely to organizations described in paragraphs (7), (9), (17) and (20) of section 501(c) of the Code.

“Units” means any class of Interests provided for herein.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

INVESTOR MEMBERS

GS CAPITAL PARTNERS V FUND, L.P.

By: GSCP V Advisors, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

GSCP V OFFSHORE COFFEYVILLE  
HOLDINGS, L.P.

By: GS Capital Partners V Offshore Fund, L.P., its  
General Partner

By: GSCP V Offshore Advisors, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

*[Signature page to the Limited Liability Company Agreement of  
Coffeyville Acquisition III LLC]*

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GSCP V INSTITUTIONAL COFFEYVILLE HOLDINGS, L.P.

By: GS Capital Partners V Institutional, L.P.

By: GS Advisors V, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

GSCP V GMBH COFFEYVILLE HOLDINGS, L.P.

By: GSCP V GmbH Coffeyville Holdings, its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

*[Signature page to the Limited Liability Company Agreement of  
Coffeyville Acquisition III LLC]*

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KIA VII CVR HOLDCO, LLC

By: Kelso Investment Associates VII, L.P., its member

By: Kelso GP VII, L.P.,  
its general partner

By: Kelso GP VII, LLC,  
its general partner

By: /s/ James J. Connors, II  
Name: James J. Connors, II  
Title: Managing Member

KEP VI, LLC

By: /s/ James J. Connors, II  
Name: James J. Connors, II  
Title: Managing Member

*[Signature page to the Limited Liability Company Agreement of  
Coffeyville Acquisition III LLC]*

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MANAGEMENT MEMBERS

/s/ John J. Lipinski  
JOHN J. LIPINSKI

/s/ Stanley A. Riemann  
STANLEY A. RIEMANN

/s/ James T. Rens  
JAMES T. RENS

/s/ Keith D. Osborn  
KEITH D. OSBORN

/s/ Kevan A. Vick  
KEVAN A. VICK

*[Signature page to the Limited Liability Company Agreement of  
Coffeyville Acquisition III LLC]*

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/s/ Robert W. Haugen  
ROBERT W. HAUGEN

/s/ Wyatt E. Jernigan  
WYATT E. JERNIGAN

/s/ Alan K. Rugh  
ALAN K. RUGH

/s/ Daniel J. Daly, Jr.  
DANIEL J. DALY, JR.

/s/ Edmund Gross  
EDMUND GROSS

/s/ Chris Swanberg  
CHRIS SWANBERG

/s/ John Huggins  
JOHN HUGGINS

*[Signature page to the Limited Liability Company Agreement of  
Coffeyville Acquisition III LLC]*

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OUTSIDE MEMBERS

MAGNETITE ASSET INVESTORS III L.L.C.

By: BlackRock Financial Management, Inc., as  
Managing Member

By: /s/ Frank Gordon  
Name: Frank Gordon  
Title: Managing Director

/s/ Wesley Clark  
WESLEY CLARK

*[Signature page to the Limited Liability Company Agreement of  
Coffeyville Acquisition III LLC]*

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## SCHEDULE A

GSCP Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>
GS Capital Partners V Fund, L.P.	October 24, 2007		\$2,752,636.98	275,263.698
GSCP V Offshore Coffeyville Holdings, L.P.	October 24, 2007		\$1,421,897.57	142,189.757
GSCP V Institutional Coffeyville Holdings, L.P.	October 24, 2007		\$ 943,917.23	94,391.723
GSCP V GmbH Coffeyville Holdings, L.P.	October 24, 2007		\$ 109,132.40	10,913.240
<i>Total</i>			\$5,227,584.18	522,758.418

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Kelso Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>
Kelso CVR Interco, LLC	October 24, 2007		\$4,124,485.63	412,448.563
KEP VI, LLC	October 24, 2007		\$1,021,301.20	102,130.120
<i>Total</i>			\$5,145,786.83	514,578.683

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Management Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>	<u>Override Units</u>	<u>Benchmark Amount</u>
John J. Lipinski	October 24, 2007		\$ 68,145.99	6,814.599	53,921	\$10.00
Stanley A. Riemann	October 24, 2007		\$ 16,359.65	1,635.965	19,650	\$10.00
James T. Rens	October 24, 2007		\$ 10,224.79	1,022.479	10,066	\$10.00
Keith D. Osborn	October 24, 2007		\$ 10,224.79	1,022.479	10,066	\$10.00
Kevan A. Vick	October 24, 2007		\$ 10,224.79	1,022.479	10,066	\$10.00
Robert W. Haugen	October 24, 2007		\$ 4,089.91	408.991	10,066	\$10.00
Wyatt E. Jemigan	October 24, 2007		\$ 4,089.91	408.991	10,066	\$10.00
Alan K. Rugh	October 24, 2007		\$ 4,089.91	408.991	7,190	\$10.00
Daniel J. Daly, Jr.	October 24, 2007		\$ 2,044.96	204.496	7,190	\$10.00
Edmund Gross	October 24, 2007		\$ 1,226.79	122.679	N/A	N/A
Chris Swanberg	October 24, 2007		\$ 1,022.25	102.225	N/A	N/A
John Huggins	October 24, 2007		\$ 2,863.12	286.312	N/A	N/A
<i>Total</i>			\$134,606.86	13,460.686	138,281	

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Outside Members

<u>Name</u>	<u>Date of Admission</u>	<u>Mailing Address</u>	<u>Capital Contribution</u>	<u>Common Units</u>
Magnetite Asset Investors III L.L.C.	October 24, 2007		\$81,797.35	8,179.735
Wesley Clark	October 24, 2007		\$10,224.78	1,022.478

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EXHIBIT A

**FORM OF SPOUSAL WAIVER**

[INSERT NAME] hereby waives and releases any and all equitable or legal claims and rights, actual, inchoate or contingent, which [she] [he] may acquire with respect to the disposition, voting or control of the Units subject to the Limited Liability Company Agreement of Coffeyville Acquisition III LLC, dated as of October 24, 2007, as the same may be amended, modified, supplemented or restated from time to time, except for rights in respect of the proceeds of any disposition of such Units.

\_\_\_\_\_  
Name:

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EXHIBIT B

**FORM OF MANAGEMENT RIGHTS LETTER**

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EXHIBIT C

**FORM OF REGISTRATION RIGHTS AGREEMENT**

**REDEMPTION AGREEMENT**

REDEMPTION AGREEMENT, effective as of October 16, 2007 (this "Agreement"), by and between Coffeyville Acquisition LLC, a Delaware limited liability company, (the "Company"), and the parties set forth on Schedule A hereto (the "Redeemed Parties").

WHEREAS, the Company and the Redeemed Parties are parties to the Second Amended and Restated Limited Liability Company Agreement of the Company, dated as of July 25, 2005 (the "LLC Agreement");

WHEREAS, each of the Redeemed Parties holds the units of membership interests in the Company set forth opposite such Redeemed Party's name on Schedule A hereto ("Company Units");

WHEREAS, contemporaneously with this Agreement, the Company is entering into a Limited Liability Company Agreement ("CA II LLC Agreement") with Coffeyville Acquisition II LLC, a Delaware limited liability company ("CA II"), pursuant to which the Company is contributing 50% of its assets in consideration of the issuance by CA II to the Company of 100% of the membership interests in CA II (the "Contribution");

WHEREAS, in connection with the Contribution, the parties hereto desire that the Company purchase and redeem the number and type of Company Units set forth opposite each Redeemed Party's name on Schedule B hereto (the "Redeemed Units") in exchange for the number and type of units of membership interests in CA II set forth opposite such Redeemed Party's name on Schedule C hereto ("CA II Units");

WHEREAS, the redemption shall be treated as a division of the Company within the meaning of section 1.708-1(d) of the Regulations of the Treasury Department of the United States issued pursuant to the Internal Revenue Code of 1986, as amended, with neither the Company nor CA II treated as a continuing partnership; and

WHEREAS, immediately after the consummation of the transactions contemplated by this Agreement, the Company will no longer hold any units of membership interests in CA II.

NOW, THEREFORE, in consideration of the premises and the representations, warranties and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

**ARTICLE I****REDEMPTION AND TRANSFER OF MEMBERSHIP INTERESTS**

**1.1. Redemption and Transfer of Membership Interests.** Upon the terms and subject to the conditions set forth in this Agreement, simultaneously with the execution and delivery of this Agreement, (a) the Redeemed Units shall hereby be redeemed and cancelled in their entirety in exchange for the CA II Units, (b) the Company hereby transfers, conveys and delivers to the Redeemed Parties and each Redeemed Party hereby acquires and accepts, free and clear of all liens, claims, security interest, pledges, charges and other encumbrances, the CA II

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Units set forth opposite its name on Schedule C hereto and (c) each Redeemed Party shall duly execute and deliver the First Amended and Restated Limited Liability Company Agreement of Coffeyville Acquisition II LLC, a form of which is attached hereto as Exhibit I.

**1.2. Release of Liability.** The parties hereto acknowledge and agree that each of the Redeemed Parties are, to the fullest extent permitted by applicable law, relieved of any further liability arising with respect to such Redeemed Party's Redeemed Units for events occurring from and after the consummation of the transactions contemplated in this Agreement. Nothing in this Agreement shall relieve any Redeemed Party for any liability arising with respect to such Redeemed Party's Redeemed Units for events occurring prior to the consummation of the transactions contemplated in this Agreement, including any liability pursuant to Section 9.4(a) of the LLC Agreement.

**ARTICLE II  
REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

The Company hereby represents and warrants to the Redeemed Parties that as of the date the Company executes this Agreement:

**2.1. Organization and Good Standing.** The Company is an entity duly organized and validly existing under the laws of Delaware and has the requisite corporate power and authority to own, operate and carry on its business as now conducted.

**2.2. Authority; Enforceability.** All actions required to be taken by or on behalf of the Company to authorize such party to execute, deliver and perform the Company's obligations under this Agreement have been taken, and this Agreement constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

**2.3. Ownership of Units.** The Company is the record and beneficial owner of the CA II Units. The Company has the requisite corporate power and authority to transfer the CA II Units as provided in this Agreement and the Company is delivering to each Redeemed Party good and marketable title to the CA II Units, free and clear of any and all liens, claims, charges, security interests, options or other encumbrances, other than those provided under federal or state securities laws or under the CA II LLC Agreement.

**2.4. No Violation; Consent.** The execution and delivery of this Agreement and the consummation by the Company of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to the Company or by which the Company or any material portion of the properties of the Company is bound, except for conflicts, breaches and defaults that, individually or in the



aggregate, will not have a material adverse effect upon the Company's ability to enter into and carry out its obligations under this Agreement.

**ARTICLE III  
REPRESENTATIONS AND WARRANTIES OF THE REDEEMED PARTIES**

Each Redeemed Party, severally but not jointly, hereby represents and warrants to each other party to this Agreement that as of the date such party executes this Agreement:

**3.1. Organization and Good Standing.** Such Redeemed Party, if not a natural person, is duly organized and validly existing under the laws of the jurisdiction of its organization. Such Redeemed Party has the requisite power and authority to own, operate and carry on its business as now conducted.

**3.2 Authority; Enforceability.** All actions required to be taken by or on behalf of such Redeemed Party to authorize such party to execute, deliver and perform such Redeemed Party's obligations under this Agreement have been taken, and this Agreement constitutes the legal, valid and binding obligation of such Redeemed Party, enforceable against such Redeemed Party in accordance with its terms, except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

**3.3. Ownership of Units.** Such Redeemed Party is the record and beneficial owner of the Company Units purported to be owned by such Redeemed Party with good and marketable title to such Company Units, free and clear of any and all liens, claims, charges, security interests, options or other encumbrances, other than those provided under federal or state securities laws or under the LLC Agreement.

**3.4. Compliance with Laws and Other Instruments.** The execution and delivery of this Agreement and the consummation by such Redeemed Party of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to such Redeemed Party or by which such Redeemed Party or any material portion of the properties of such Redeemed Party is bound, except for conflicts, breaches and defaults that, individually or in the aggregate, will not have a material adverse effect upon the financial condition, business or operations of such Redeemed Party or upon such Redeemed Party's ability to enter into and carry out its obligations under this Agreement.

**ARTICLE IV  
MISCELLANEOUS AGREEMENTS OF THE PARTIES**

**4.1. Mutual Cooperation; No Inconsistent Action.** Subject to the terms and conditions hereof, each of the parties hereto agree to use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement.

4.2. **Entire Agreement; Amendment; Waiver.** This Agreement represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and may be amended, supplemented or otherwise modified only by a written instrument executed by the parties hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving.

4.3. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

4.4. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

4.5. **Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

4.6. **Severability.** If any provision of this Agreement is invalid or unenforceable, the balance of this Agreement shall remain in effect.

4.7. **Binding Effect; Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any person not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by any party hereto (by operation of law or otherwise) without the prior written consent of the other party hereto and any attempted assignment without such required consent shall be void.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above written.

COFFEYVILLE ACQUISITION LLC

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer

GS CAPITAL PARTNERS V FUND, L.P.  
By: GSCP V Advisors, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli  
Name:  
Title:

GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.  
By: GSCP V Offshore Advisors, L.L.C.,  
its General Partner

By: /s/ Kenneth A. Pontarelli  
Name:  
Title:

*[Signature Page to Redemption Agreement]*

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GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.  
By: GS Advisors V, L.L.C., its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

GS CAPITAL PARTNERS V GmbH & CO. KG

By: Goldman, Sachs Management GP GmbH,  
its General Partner

By: /s/ Kenneth A. Pontarelli

Name:

Title:

*[Signature Page to Redemption Agreement]*

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/s/ John J. Lipinski  
JOHN J. LIPINSKI

THE TARA K. LIPINSKI 2007 EXEMPT TRUST

By: /s/ Tara K. Lipinski  
Name: Tara K. Lipinski  
Title: Trustee

THE LIPINSKI 2007 EXEMPT FAMILY TRUST

By: /s/ Patricia E. Lipinski  
Name: Patricia E. Lipinski  
Title: Trustee

/s/ Stanley A. Riemann  
STANLEY A. RIEMANN

/s/ James T. Rens  
JAMES T. RENS

/s/ Keith D. Osborn  
KEITH D. OSBORN

/s/ Kevan A. Vick  
KEVAN A. VICK

*[Signature Page to Redemption Agreement]*

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/s/ Robert W. Haugen  
ROBERT W. HAUGEN

/s/ Wyatt E. Jernigan  
WYATT E. JERNIGAN

/s/ Alan K. Rugh  
ALAN K. RUGH

/s/ Daniel J. Daly, Jr.  
DANIEL J. DALY, JR.

/s/ Edmund Gross  
EDMUND GROSS

/s/ Chris Swanberg  
CHRIS SWANBERG

/s/ John Huggins  
JOHN HUGGINS

/s/ Wesley Clark  
WESLEY CLARK

*[Signature Page to Redemption Agreement]*

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**Schedule A**  
**Current Ownership in the Company**

Name	Units of Membership Interests in the Company		
	Common Units	Operating Units	Value Units
GS Capital Partners V Fund, L.P.	5,948,244	N/A	N/A
GS Capital Partners V Offshore Fund, L.P.	3,072,615	N/A	N/A
GS Capital Partners V Institutional, L.P.	2,039,735	N/A	N/A
GS Capital Partners V GmbH & Co. KG	235,827	N/A	N/A
John J. Lipinski	57,446	N/A	N/A
The Tara K. Lipinski 2007 Exempt Trust	N/A	157,909	315,818.5
The Lipinski 2007 Exempt Family Trust	N/A	36,246	72,483
Stanley A. Riemann	35,352	140,185	280,371
James T. Rens	22,095	71,965	143,931
Keith D. Osborn	22,095	71,965	143,931
Kevan A. Vick	22,095	71,965	143,931
Robert W. Haugan	8,838	71,965	143,931
Wyatt E. Jernigan	8,838	71,965	143,931
Alan K. Rugh	8,838	51,901	103,801
Daniel J. Daly, Jr.	4,419	51,901	103,801
Edmund Gross	2,651	N/A	N/A
Chris Swanberg	2,209	N/A	N/A
John Huggins	6,187	N/A	N/A
Wesley Clark	22,095	N/A	N/A
<i>Total</i>	<i>11,519,579</i>	<i>992,122</i>	<i>1,984,231</i>

**Schedule B**  
**Redeemed Company Units**

Name	Units of Membership Interests in the Company		
	Common Units	Operating Units	Value Units
GS Capital Partners V Fund, L.P.	5,948,244	N/A	N/A
GS Capital Partners V Offshore Fund, L.P.	3,072,615	N/A	N/A
GS Capital Partners V Institutional, L.P.	2,039,735	N/A	N/A
GS Capital Partners V GmbH & Co. KG	235,827	N/A	N/A
John J. Lipinski	28,723	N/A	N/A
The Tara K. Lipinski 2007	N/A	78,954.5	157,909.25
Exempt Trust		18,123	36,241.5
The Lipinski 2007 Exempt	N/A	78,954.5	157,909.25
Family Trust		18,123	36,241.5
Stanley A. Riemann	17,676	70,092.5	140,185.5
James T. Rens	11,047.5	35,982.5	71,965.5
Keith D. Osborn	11,047.5	35,982.5	71,965.5
Kevan A. Vick	11,047.5	35,982.5	71,965.5
Robert W. Haugan	4,419	35,982.5	71,965.5
Wyatt E. Jernigan	4,419	35,982.5	71,965.5
Alan K. Rugh	4,419	25,950.5	51,900.5
Daniel J. Daly, Jr.	2,209.5	25,950.5	51,900.5
Edmund Gross	1,325.5	N/A	N/A
Chris Swanberg	1,104.5	N/A	N/A
John Huggins	3,093.5	N/A	N/A
Wesley Clark	11,047.50	N/A	N/A
<i>Total</i>	<i>11,408,000.00</i>	<i>496,061</i>	<i>992,115.50</i>



**Schedule C**  
**Issued CA II Units**

Name	Units of Membership Interests in CA II		
	Common Units	Operating Units	Value Units
GS Capital Partners V Fund, L.P.	5,948,244	N/A	N/A
GS Capital Partners V Offshore Fund, L.P.	3,072,615	N/A	N/A
GS Capital Partners V Institutional, L.P.	2,039,735	N/A	N/A
GS Capital Partners V GmbH & Co. KG	235,827	N/A	N/A
John J. Lipinski	28,723	N/A	N/A
The Tara K. Lipinski 2007 Exempt Trust	N/A	78,954.5	157,909.25
The Lipinski 2007 Exempt Family Trust	N/A	18,123	36,241.5
Stanley A. Riemann	17,676	78,954.5	157,909.25
James T. Rens	11,047.5	18,123	36,241.5
Keith D. Osborn	11,047.5	70,092.5	140,185.5
Kevan A. Vick	11,047.5	35,982.5	71,965.5
Robert W. Haugan	4,419	35,982.5	71,965.5
Wyatt E. Jernigan	4,419	35,982.5	71,965.5
Alan K. Rugh	4,419	25,950.5	51,900.5
Daniel J. Daly, Jr.	2,209.5	25,950.5	51,900.5
Edmund Gross	1,325.5	N/A	N/A
Chris Swanberg	1,104.5	N/A	N/A
John Huggins	3,093.5	N/A	N/A
Wesley Clark	11,047.50	N/A	N/A
<i>Total</i>	<i>11,408,000.00</i>	<i>496,061</i>	<i>992,115.50</i>

**Exhibit I**

First Amended and Restated Limited Liability Company Agreement of  
Coffeyville Acquisition II LLC

**STOCKHOLDERS AGREEMENT**

**CVR ENERGY, INC.**

**Dated as of October 16, 2007**

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## Table of Contents

		Page
ARTICLE I	REPRESENTATIONS AND WARRANTIES	1
Section 1.1	Due Organization; Power and Authority, etc	1
Section 1.2	Authorization; Enforceability	1
Section 1.3	Compliance with Laws and Other Instruments	1
ARTICLE II	GOVERNANCE	2
Section 2.1	Board of Directors.	2
Section 2.2	Additional Management Provisions.	4
ARTICLE III	TRANSFERS	4
Section 3.1	Limitations on Transfer.	4
Section 3.2	Tag Along Rights.	5
Section 3.3	Substitute Stockholder.	6
Section 3.4	Release of Liability	7
Section 3.5	Termination of Transfer Restrictions	7
ARTICLE IV	GENERAL PROVISIONS	7
Section 4.1	Termination	7
Section 4.2	Subsequent Acquisition of Shares	7
Section 4.3	Waiver by Stockholders	7
Section 4.4	Freedom to Pursue Opportunities	7
Section 4.5	Notices	8
Section 4.6	Securities Act Matters	9
Section 4.7	Headings	9
Section 4.8	Entire Agreement	9
Section 4.9	Counterparts	9
Section 4.10	Governing Law; Attorneys' Fees	9
Section 4.11	Waivers	9
Section 4.12	Invalidity of Provision	10
Section 4.13	Amendments	10
Section 4.14	Assignments	10
Section 4.15	No Third Party Beneficiaries	10
Section 4.16	Specific Performance	10
Section 4.17	Marketing Materials	10
Section 4.18	Notice of Events	10
ARTICLE V	DEFINED TERMS	11

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**STOCKHOLDERS AGREEMENT OF  
CVR ENERGY, INC.**

This Stockholders Agreement of CVR Energy, Inc., a Delaware corporation (the "Company") is dated as of October 16, 2007, by and among the Company, Coffeyville Acquisition LLC, a Delaware limited liability company ("CA"), and Coffeyville Acquisition II LLC, a Delaware limited liability company ("CA II") and, collectively with CA, the "Stockholders"). Any capitalized term used herein without definition shall have the meaning set forth in Article V.

WHEREAS, the Company is proposing to sell shares of common stock, par value \$.01 per share, of the Company ("Common Stock") to the public in an initial public offering ("IPO");

WHEREAS, immediately after the completion of the Company's IPO, it is expected that the Stockholders will own approximately 77.0% (74.4% if the underwriters exercise their option to purchase additional shares from the Stockholders) of the issued and outstanding shares of Common Stock;

WHEREAS, the Company and the Stockholders desire to enter into this Agreement on the terms and conditions set forth herein to set forth the respective rights and obligations of the Stockholders upon the consummation of the IPO; and

WHEREAS, contemporaneously with this Agreement, the parties hereto are entering into a registration rights agreement (the "Registration Rights Agreement").

**ARTICLE I  
REPRESENTATIONS AND WARRANTIES**

Each of the parties to this Agreement hereby represents and warrants to each other party to this Agreement that as of the date such party executes this Agreement:

**Section 1.1 Due Organization; Power and Authority, etc.** Such party, if not a natural person, is duly organized and validly existing under the laws of its jurisdiction of organization. Such party has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder.

**Section 1.2 Authorization; Enforceability.** All actions required to be taken by or on behalf of such party to authorize such party to execute, deliver and perform such party's obligations under this Agreement have been taken, and this Agreement constitutes the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

**Section 1.3 Compliance with Laws and Other Instruments.** The execution and delivery of this Agreement and the consummation by such party of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach

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of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to such party or by which such party or any material portion of the properties of such party is bound, except for conflicts, breaches and defaults that, individually or in the aggregate, will not have a material adverse effect upon such party's ability to enter into and carry out its obligations under this Agreement.

## ARTICLE II GOVERNANCE

### Section 2.1 Board of Directors.

(a) The Stockholders and the Company shall take all Necessary Action to cause the Board to initially consist of eight (8) directors and thereafter be comprised of not less than three (3) nor more than fifteen (15) directors, two (2) of whom shall be designated by CA, two (2) of whom shall be designated by CA II, one (1) of whom shall be the chief executive officer (or equivalent) of the Company and the remainder of whom shall be elected in accordance with the certificate of incorporation and bylaws of the Company; provided that:

(i) for so long as the Stockholders beneficially own in the aggregate an amount of Common Stock that represents at least 40% of the outstanding shares of Common Stock, if either Stockholder ceases to beneficially own an amount of Common Stock that represents at least 20% of the outstanding shares of Common Stock, then such Stockholder shall only be entitled to designate one (1) director for election to the Board; and provided, further, that if either Stockholder ceases to beneficially own at least 5% of the outstanding shares of Common Stock, then such Stockholder shall not be entitled to designate any directors for election to the Board;

(ii) if the Stockholders beneficially own in the aggregate an amount of Common Stock that represents less than 40% of the outstanding shares of Common Stock, so long as either Stockholder beneficially owns at least 20% of the outstanding shares of Common Stock, in connection with any election of directors to the Board, the Company shall at the request of such Stockholder include two representatives designated by such Stockholder in the slate of directors recommended by the Board to the stockholders for election as directors; and provided, further that if either Stockholder ceases to beneficially own at least 20% of the outstanding shares of Common Stock but shall beneficially own at least 5% of the outstanding shares of Common Stock, in connection with any election of directors to the Board, the Company shall at the request of such Stockholder include one representative designated by such Stockholder in the slate of directors recommended by the Board to the stockholders for election as directors; and

(iii) within one year after the Company ceases to qualify as a "controlled company" under NYSE rules, the Stockholders shall cause a sufficient number of their designees to qualify as "independent directors" under NYSE rules to ensure that the Board complies with applicable NYSE independence rules.

(b) Except as provided above, each Stockholder shall have the exclusive right to appoint and remove its respective designees to the Board, as well as the exclusive right to fill vacancies created by reason of death, removal or resignation of such designees, and the Stockholders and the Company shall take all Necessary Action to cause the Board to be so constituted.

(c) The initial directors designated by CA pursuant to Section 2.1(a) shall be George E. Matelich and Stanley de J. Osborne. The initial directors designated by CA II pursuant to Section 2.1(a) shall be Scott Lebovitz and Kenneth A. Pontarelli.

(d) Decisions of the Board shall require the approval of a majority of the directors. The Board shall designate a chairman.

(e) The Company shall reimburse the directors for all reasonable out-of-pocket expenses incurred in connection with their attendance at meetings of the Board and any committees thereof, including without limitation travel, lodging and meal expenses. For the avoidance of doubt, Sponsor Directors shall not receive compensation for serving on the Board and on any committees thereof.

(f) The Company shall obtain customary director and officer indemnity insurance on commercially reasonable terms.

(g) Solely for purposes of Section 2.1(a)(i), and in order to secure the performance of each Stockholder's obligations under Section 2.1(a)(i), each Stockholder hereby irrevocably appoints each other Stockholder that qualifies as a Proxy Holder (as defined below) the attorney-in-fact and proxy of such Stockholder (with full power of substitution) to vote or provide a written consent with respect to its shares of Common Stock as described in this paragraph if, and only in the event that, such Stockholder fails to vote or provide a written consent with respect to its shares of Common Stock in accordance with the terms of Section 2.1(a)(i) (each such Stockholder, a "Breaching Stockholder"). Each Breaching Stockholder shall have five (5) Business Days from the date of a request for such vote or written consent (the "Cure Period") to cure such failure. If after the Cure Period the Breaching Stockholder has not cured such failure, any Stockholder whose designees to the Board were required to be approved by the Breaching Stockholder pursuant to Section 2.1(a)(i) but were not approved by the Breaching Stockholder, shall have and is hereby irrevocably granted a proxy to vote or provide a written consent with respect to each such Breaching Stockholder's shares of Common Stock for the purposes of taking the actions required by Section 2.1(a)(i) (such Stockholder, a "Proxy Holder"), and of removing from office any directors elected to the Board in lieu of the designees of the Proxy Holder who should have been elected pursuant to Section 2.1(a)(i). Each Stockholder intends this proxy to be, and it shall be, irrevocable and coupled with an interest, and each Stockholder will take such further action and execute such other instruments as may be necessary to effectuate the intent of this proxy and hereby revoke any proxy previously granted by it with respect to the matters set forth in Section 2.1(a)(i) with respect to the shares of Common Stock owned by such Stockholder. Notwithstanding the foregoing, the conditional proxy granted by this Section 2.1(g) shall be deemed to be revoked upon the termination of Article II in accordance with its terms.

**Section 2.2 Additional Management Provisions.**

(a) For so long as the Stockholders beneficially own in the aggregate an amount of Common Stock that represents at least 40% of the outstanding shares of Common Stock, (i) each Stockholder that has the right to designate at least two Directors to the Board pursuant to Section 2.1(a)(i) shall have the right to have at least one (1) of its designated directors on any committee (with the exception of the Audit Committee and the Conflicts Committee) of the Board, to the extent such directors are permitted to serve on such committees under SEC and NYSE rules applicable to the Company, (ii) Sponsor Directors shall constitute the majority of each such committee (at least 50% in the case of the Nominating and Corporate Governance Committee and the Compensation Committee), and (iii) the Chairman of each such committee shall be a Sponsor Director. In the event that SEC or NYSE rules applicable to the Company limit the number of Sponsor Directors that can serve on any committee (other than the Audit Committee), the parties shall allocate committee membership among Sponsor Directors in as equitable a manner as possible, taking into account the relative level of ownership of the Stockholders in considering committee preferences.

(b) Each Stockholder agrees and acknowledges that the directors designated by CA and CA II may share confidential, non-public information about the Company with Kelso and GSCP, respectively.

(c) The Stockholders hereby agree, notwithstanding anything to the contrary in any other agreement or at law or in equity, that when CA and/or CA II takes any action under this Agreement to give or withhold its consent, CA and/or CA II, as applicable, shall have no duty (fiduciary or other) to consider the interests of the Company or any other holder of Common Stock and may act exclusively in its own interest and shall have only the duty to act in good faith; provided, however, that the foregoing shall in no way affect the obligations of the parties hereto to comply with the provisions of this Agreement.

**ARTICLE III  
TRANSFERS**

**Section 3.1 Limitations on Transfer.**

(a) No Stockholder shall be entitled to Transfer its shares of Common Stock at any time if such Transfer would:

- (i) violate the Securities Act, or any state (or other jurisdiction) securities or “Blue Sky” laws applicable to the Company or Common Stock;
- (ii) cause the Company to become subject to the registration requirements of the U.S. Investment Company Act of 1940, as amended from time to time; or
- (iii) be a “prohibited transaction” under ERISA or the Code or cause all or any portion of the assets of the Company to constitute “plan assets” under ERISA or Section 4975 of the Code.



(b) In the event of a purported Transfer by a Stockholder of any shares of Common Stock in violation of the provisions of this Agreement, such purported Transfer will be void and of no effect, and the Company will not give effect to such Transfer.

(c) Each certificate evidencing the shares of Common Stock shall bear the following restrictive legend, either as an endorsement or on the face thereof:

THE SALE, ASSIGNMENT, TRANSFER OR OTHER DISPOSITION OF THE SECURITIES EVIDENCED BY THIS CERTIFICATE IS RESTRICTED BY THE TERMS OF A STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 16, 2007, AS MAY BE AMENDED FROM TIME TO TIME, COPIES OF WHICH ARE ON FILE WITH THE ISSUER OF THIS CERTIFICATE. NO SALE, ASSIGNMENT, TRANSFER OR OTHER DISPOSITION SHALL BE EFFECTIVE UNLESS AND UNTIL THE TERMS AND CONDITIONS OF SUCH STOCKHOLDERS' AGREEMENT HAVE BEEN COMPLIED WITH IN FULL.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE SOLD OR TRANSFERRED OTHER THAN IN ACCORDANCE WITH THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED (OR OTHER APPLICABLE LAW), OR AN EXEMPTION THEREFROM.

(d) In the event that the restrictive legend set forth in Section 3.1(c) has ceased to be applicable, or upon request by a Stockholder proposing to Transfer shares of Common Stock pursuant to any Transfer permitted under this Agreement, the Company shall provide such Stockholder, or its transferee, at their request, without any expense to such Persons (other than applicable transfer taxes and similar governmental charges, if any), with new certificates for such securities of like tenor not bearing the legend with respect to which the restriction has ceased and terminated (it being understood that the restriction referred to in the first paragraph of the legend in Section 3.1(c) shall cease and terminate upon the termination of this Article III).

**Section 3.2 Tag Along Rights.**

(a) In the case of a proposed Transfer by a Stockholder (a "Transferring Stockholder") of shares of Common Stock owned by such Stockholder, other than (i) to the Company, (ii) to a Permitted Transferee or (iii) to the public pursuant to an underwritten offering or Rule 144 under the Securities Act (a "Proposed Transfer"), each other Stockholder who exercises its rights under this Section 3.2(a) (a "Tagging Stockholder") shall have the right to require the Transferring Stockholder to cause the proposed transferee (a "Proposed Transferee") to purchase from such Tagging Stockholder up to a number of its shares of Common Stock equal to the product of (i) (A) the number of shares of Common Stock held by the Tagging Stockholder divided by (B) the number of shares of Common Stock held by all Stockholders participating in such Transfer and (ii) the aggregate number of shares of Common Stock proposed to be Transferred to the Proposed Transferee.

(b) The Transferring Stockholder shall give notice to each other Stockholder of a Proposed Transfer not later than five (5) Business Days prior to the closing of the Proposed Transfer, setting forth the number of shares of Common Stock proposed to be so Transferred, the name and address of the Proposed Transferee, the proposed amount and form of consideration (and, if such consideration consists in part or in whole of property other than cash, the Transferring Stockholder shall provide such information, to the extent reasonably available to the Transferring Stockholder, relating to such non-cash consideration as the other Stockholders may reasonably request in order to evaluate such non-cash consideration), and other terms and conditions of payment offered by the Proposed Transferee. The Transferring Stockholder shall deliver or cause to be delivered to each Tagging Stockholder copies of all transaction documents relating to the Proposed Transfer as the same become available. The tag-along rights provided by this [Section 3.2](#) must be exercised by a Stockholder within three (3) Business Days following receipt of the notice required by the first sentence of this [Section 3.2\(b\)](#), by delivery of a written notice to the Transferring Stockholder indicating its desire to exercise its rights and specifying the number of shares of Common Stock it desires to Transfer.

(c) Any Transfer of shares of Common Stock by a Tagging Stockholder to a Proposed Transferee pursuant to this [Section 3.2](#) shall be on the same terms and conditions (including, without limitation, price, time of payment and form of consideration) as to be paid to the Transferring Stockholder; provided that in order to be entitled to exercise its tag along right pursuant to this [Section 3.2](#), each Tagging Stockholder must agree to make to the Proposed Transferee representations, warranties, covenants, indemnities and agreements the same *mutatis mutandis* as those made by the Transferring Stockholder in connection with the Proposed Transfer (other than any non-competition or similar agreements or covenants that would bind the Tagging Stockholder or its Affiliates), and agree to the same conditions to the Proposed Transfer as the Transferring Stockholder agrees, it being understood that all such representations, warranties, covenants, indemnities and agreements shall be made by the Transferring Stockholder and each Tagging Stockholder severally and not jointly and that, except with respect to individual representations, warranties, covenants, indemnities and other agreements of the Tagging Stockholder as to the unencumbered title to its shares of Common Stock and the power, authority and legal right to Transfer such shares of Common Stock, the aggregate amount of the liability of the Tagging Stockholder shall not exceed either (i) such Tagging Stockholder's pro rata portion of any such liability to be determined in accordance with such Tagging Stockholder's portion of the total number of shares of Common Stock included in such Transfer or (ii) the proceeds to such Tagging Stockholder in connection with such Transfer. Each Tagging Stockholder shall be responsible for its proportionate share of the costs of the Proposed Transfer to the extent not paid or reimbursed by the Proposed Transferee or the Company.

**Section 3.3 Substitute Stockholder.**

(a) Any Transfer of shares of Common Stock to any Permitted Transferee of a Stockholder, which Transfer is otherwise in compliance herewith, shall be permitted hereunder only if such Permitted Transferee agrees in writing that it shall, upon such Transfer, assume with respect to such shares of Common Stock the transferor's obligations under this Agreement and become a party to this Agreement for such purpose, and any other agreement or instrument executed and delivered by such transferor in respect of the shares of Common Stock.

(b) Notwithstanding the foregoing, Section 3.3(a) shall not apply to any Transfer to (i) the public under a Registration Statement or Rule 144 under the Securities Act or (ii) any general or limited partner, member or stockholder of any Stockholder.

**Section 3.4 Release of Liability.** In the event a Stockholder shall Transfer all of its shares of Common Stock in compliance with the provisions of this Agreement, without retaining any interest therein, directly or indirectly, then such Stockholder shall, to the fullest extent permitted by applicable law, be relieved of any further liability arising hereunder for events occurring from and after the date of such Transfer.

**Section 3.5 Termination of Transfer Restrictions.** The provisions of this Article III shall terminate and be of no further force and effect upon the earlier of (i) the fifth anniversary of the IPO or (ii) the date on which the Stockholders cease to hold collectively 25% of their Initial Post-IPO Share Ownership.

#### ARTICLE IV GENERAL PROVISIONS

**Section 4.1 Termination.** The provisions of Article II of this Agreement shall terminate as set forth in such Article. The provisions of Article III of this Agreement shall terminate as set forth in Section 3.5. The remainder of this Agreement shall terminate after each Stockholder shall have transferred all shares of Common Stock owned by it.

**Section 4.2 Subsequent Acquisition of Shares.** Any securities of the Company acquired subsequent to the date hereof by a Stockholder shall be subject to the terms and conditions of this Agreement and such shares shall be considered to be "shares of Common Stock" as such term is used herein for purposes of this Agreement.

**Section 4.3 Waiver by Stockholders.** The rights and obligations contained in this Agreement are in addition to the relevant provisions of the Certificate of Incorporation in force from time to time and shall be construed to comply with such provisions. To the extent that this Agreement is determined to be in contravention of the Certificate of Incorporation, this Agreement shall constitute a waiver by each Stockholder, to the fullest extent permissible under applicable laws, of any right such Stockholder may have pursuant to the Certificate of Incorporation that is inconsistent with this Agreement.

**Section 4.4 Freedom to Pursue Opportunities.** The parties expressly acknowledge and agree that: (i) each Stockholder, Sponsor Director and Affiliated Officer of the Company has the right to, and shall have no duty (contractual or otherwise) to refrain from, directly or indirectly engaging in the same or similar business activities or lines of business as the Company or any of its subsidiaries, including those deemed to be competing with the Company or any of its subsidiaries; and (ii) in the event that a Shareholder, Sponsor Director or Affiliated Officer of the Company acquires knowledge of a potential transaction or matter that both the Corporation or its subsidiaries, on the one hand, and such Stockholder or any other Person, on the other hand, might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, such Stockholder, Sponsor Director or Affiliated Officer of the Company shall have no duty (contractual or otherwise) to communicate or present such corporate

opportunity to the Company or any of its subsidiaries, as the case may be, and, notwithstanding any provision of this Agreement to the contrary, shall not be liable to the Company or any of its subsidiaries or any holder of Common Stock for breach of any duty (contractual or otherwise) by reason of the fact that such Stockholder, Sponsor Director or Affiliated Officer, directly or indirectly, pursues or acquires such opportunity for itself, directs such opportunity to another Person, or does not present such opportunity to the Company or any of its subsidiaries.

**Section 4.5 Notices.** All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(a) If to the Company to:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

(b) If to CA to:

c/o Kelso & Company, L.P.  
320 Park Avenue, 24th Floor  
New York, New York 10022  
Attention: James J. Connors II  
Facsimile No.: 212-223-2379

with a copy (which shall not constitute notice) to:

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

(c) If to CA II to:

c/o GS Capital Partners V Fund, L.P.  
c/o Goldman, Sachs & Co.  
85 Broad Street  
New York, New York 10004  
Attention: Kenneth Pontarelli  
Facsimile No.: 212-357-5505

with a copy (which shall not constitute notice) to:

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000

All such notices, requests, demands, waivers and other communications shall be deemed to have been received by (w) if by personal delivery, on the day delivered, (x) if by certified or registered mail, on the fifth Business Day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

**Section 4.6 Securities Act Matters.** Each Stockholder understands that, in addition to the restrictions on transfer contained in this Agreement, such Stockholder must bear the economic risks of its investment for an indefinite period because the shares of Common Stock held by such Stockholder have not been registered under the Securities Act.

**Section 4.7 Headings.** The headings to sections in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

**Section 4.8 Entire Agreement.** This Agreement and the Registration Rights Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to the matters referred to herein. There are no representations, warranties, promises, inducements, covenants or undertakings relating to shares of Common Stock, other than those expressly set forth or referred to herein or in the Registration Rights Agreement.

**Section 4.9 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

**Section 4.10 Governing Law; Attorneys' Fees.** This Agreement and the rights and obligations of the parties hereto hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

**Section 4.11 Waivers.** Waiver by any party hereto of any breach or default by any other party of any of the terms of this Agreement shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the parties hereto or from any failure by any party to assert its or his or her rights hereunder on any occasion or series of occasions.

EACH PARTY HERETO HEREBY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF OR IN ANY WAY

CONNECTED WITH THIS AGREEMENT, OR THE BREACH, TERMINATION OR VALIDITY OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**Section 4.12 Invalidity of Provision.** The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

**Section 4.13 Amendments.** This Agreement may not be amended, modified or supplemented except by a written instrument signed by the parties hereto.

**Section 4.14 Assignments.** The provisions of this Agreement shall be binding upon and inure to the benefit of parties hereto and their respective heirs, legal representatives, successors and assigns. No Stockholder may assign any of its rights or obligations hereunder without the consent of the Company unless such assignment is in connection with a Transfer permitted by this Agreement and, prior to such assignment, such assignee complies with the requirements of [Section 3.2](#) and [Section 3.3](#), in each case, to the extent applicable.

**Section 4.15 No Third Party Beneficiaries.** Except as otherwise provided herein, this Agreement is not intended to confer upon any Person, except for the parties hereto, any rights or remedies hereunder.

**Section 4.16 Specific Performance.** It is hereby agreed and acknowledged that it will be impossible to measure the money damages that would be suffered if the parties fail to comply with any of the obligations herein imposed on them by this Agreement and that, in the event of any such failure, an aggrieved party will be irreparably damaged and will not have an adequate remedy at law. Any such party shall, therefore, be entitled (in addition to any other remedy to which such party may be entitled at law or in equity) to injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

**Section 4.17 Marketing Materials.** The Company grants each Stockholder and their respective Affiliates permission to use the Company's name and logo in marketing materials of such Stockholder or any of its Affiliates. Such Stockholder or its Affiliates, as applicable, shall include a trademark attribution notice giving notice of the Company's ownership of its trademarks in the marketing materials in which the Company's name and logo appear.

**Section 4.18 Notice of Events.** The Company shall notify each Stockholder, on a reasonably current basis, of any events, discussions, notices or changes with respect to any criminal or regulatory investigation or action involving the Company or any of its subsidiaries (but, excluding traffic violations or similar misdemeanors), and shall reasonably cooperate with such Stockholder or its Affiliates in efforts to mitigate any adverse consequences to such Stockholder or its Affiliates which may arise (including by coordinating and providing assistance in meeting with regulators).

**ARTICLE V  
DEFINED TERMS**

“**Affiliate**” means, with respect to a specified Person, any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the specified Person. As used in this definition, the term “control” 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 ownership of voting securities, by contract or otherwise.

“**Affiliated Officer**” means an officer of the Company that is an Affiliate of CA, CA II, GSCP or Kelso.

“**Agreement**” means this Stockholders Agreement of the Company, as this agreement may be amended, modified, supplemented or restated from time to time after the date hereof.

“**Board**” mean the board of directors of the Company.

“**Breaching Stockholder**” has the meaning given in Section 2.1(g).

“**Business Day**” means any day other than a Saturday, Sunday or day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

“**CA**” has the meaning given in the introductory paragraph to this Agreement.

“**CA II**” has the meaning given in the introductory paragraph to this Agreement.

“**Certificate of Incorporation**” means the certificate of incorporation and by-laws of the Company, as the same may be amended from time to time.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Common Stock**” has the meaning given in the recitals to this Agreement.

“**Company**” has the meaning given in the introductory paragraph to this Agreement.

“**Cure Period**” has the meaning given in Section 2.1(g).

“**ERISA**” shall mean the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

“**GSCP**” means GS Capital Partners V Fund, L.P., a Delaware limited partnership, together with GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership, and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

“Initial Post-IPO Share Ownership” means, with respect to CA, 31,433,360 shares of Common Stock and with respect to CA II, 31,433,360 shares of Common Stock each as adjusted pursuant to any stock splits, dividends, recapitalizations or other similar events.

“IPO” has the meaning given in the recitals to this Agreement.

“Kelso” means Kelso Investment Associates VII, L.P., a Delaware limited partnership, together with KEP VI, LLC, a Delaware limited liability company.

“Necessary Action” means, with respect to a specified result, all actions (to the extent such actions are permitted by law) necessary to cause such result, including (i) voting or providing a written consent or proxy with respect to shares of Common Stock, (ii) causing the adoption of shareholders’ resolutions and amendments to the Certificate of Incorporation, (iii) causing members of the Board (to the extent such members were nominated or designated by the Person obligated to undertake the Necessary Action, and subject to any fiduciary duties that such members may have as directors of the Company) to act in a certain manner or causing them to be removed in the event they do not act in such a manner, (iv) executing agreements and instruments, and (v) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

“Permitted Transferee” means (i) in the case of any Stockholder that is a partnership or limited liability company, any Affiliate of such Stockholder, (ii) in the case of any Stockholder that is a corporation, any Person that owns a majority of the voting Stock of such Stockholder, or any Person that is a direct or indirect wholly-owned subsidiary of such Stockholder, (iii) in the case of any Stockholder that is an individual, any successor by death or divorce, or (iv) in the case of any Stockholder that is a trust whose sole beneficiaries are individuals, such individuals or their spouses or lineal descendants.

“Person” means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

“Proposed Transfer” has the meaning given in Section 3.2(a).

“Proposed Transferee” has the meaning given in Section 3.2(a).

“Proxy Holder” has the meaning given in Section 2.1(g).

“Registration Rights Agreement” has the meaning given in the introductory paragraph to this Agreement.

“Registration Statement” means any registration statement of the Company filed with, or to be filed with, the Securities and Exchange Commission under the rules and regulations promulgated under the Securities Act, including any related prospectus, amendments and supplement to such registration statement, including post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement other than a registration statement (and related prospectus) filed on Form S-8 or any successor form thereto.



“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Sponsor Director” means any director designated by CA or CA II.

“Stockholder” has the meaning given in the introductory paragraph to this Agreement.

“Subsidiary” means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof.

“Tagging Stockholder” has the meaning given in Section 3.2(a).

“Transfer” means, with respect to any shares of Common Stock, a direct or indirect transfer, sale, exchange, assignment, pledge, hypothecation or other encumbrance or other disposition of such shares of Common Stock, including the grant of an option or other right, whether directly or indirectly, whether voluntarily, involuntarily or by operation of law; and “Transferred”, “Transferee” and “Transferability” shall each have a correlative meaning. For the avoidance of doubt, a transfer, sale, exchange, assignment, pledge, hypothecation or other encumbrance or other disposition of an interest in any Stockholder, or direct or indirect parent thereof, all or substantially all of whose assets are shares of Common Stock shall constitute a “Transfer” of shares of Common Stock for purposes of this Agreement.

“Transferring Stockholder” has the meaning given in Section 3.2(a).

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

CVR ENERGY, INC.

By: /s/ John J. Lipinski

Name: John J. Lipinski

Title: Chief Executive Officer

COFFEYVILLE ACQUISITION LLC

By: /s/ James T. Rens

Name: James T. Rens

Title: Chief Financial Officer

COFFEYVILLE ACQUISITION II LLC

By: /s/ Stanley A. Riemann

Name: Stanley A. Riemann

Title: Chief Operating Officer

*[Signature page to Stockholders Agreement]*

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**REGISTRATION RIGHTS AGREEMENT**

**CVR ENERGY, INC.**

**Dated as of October 16, 2007**

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TABLE OF CONTENTS

	<u>Page</u>
Section 1. Registrations Upon Request	1
1.1. Requests by the Stockholders	1
1.2. Registration Statement Form	4
1.3. Expenses	4
1.4. Effective Registration Statement	5
1.5. Right to Withdraw	5
1.6. Priority in Demand Registrations	5
Section 2. Incidental Registrations	6
Section 3. Registration Procedures	8
Section 4. Underwritten Offerings	13
4.1. Underwriting Agreement	13
4.2. Selection of Underwriters	14
Section 5. Holdback Agreements	14
Section 6. Preparation; Reasonable Investigation	15
Section 7. No Grant of Future Registration Rights	16
Section 8. Indemnification	16
8.1. Indemnification by the Company	16
8.2. Indemnification by the Sellers	17
8.3. Notices of Claims, etc.	17
8.4. Other Indemnification	18
8.5. Indemnification Payments	18
8.6. Other Remedies	18
Section 9. Representations and Warranties	19
Section 10. Definitions	20
Section 11. Miscellaneous	22
11.1. Rule 144, etc.	22
11.2. Successors, Assigns and Transferees	22
11.3. Stock Splits, etc.	23
11.4. Amendment and Modification	23
11.5. Governing Law; Venue and Service of Process	23
11.6. Invalidity of Provision	24
11.7. Notices	24

	<u>Page</u>
11.8. Headings: Execution in Counterparts	25
11.9. Injunctive Relief	25
11.10. Term	26
11.11. Further Assurances	26
11.12. Entire Agreement	26
11.13. No Third Party Beneficiaries	26

**REGISTRATION RIGHTS AGREEMENT  
OF CVR ENERGY, INC.**

REGISTRATION RIGHTS AGREEMENT, dated as of October 16, 2007 (the "**Agreement**"), by and among CVR Energy, Inc., a Delaware corporation (the "**Company**"), Coffeyville Acquisition LLC, a Delaware limited liability company ("**CA**"), and Coffeyville Acquisition II LLC, a Delaware limited liability company ("**CA II**") and, collectively with CA, the "**Stockholders**"). Capitalized terms used herein without definition are defined in Section 10.

WHEREAS, the Company is proposing to sell shares of Common Stock to the public in an initial public offering ("**IPO**");

WHEREAS, immediately after the completion of the Company's IPO, it is expected that the Stockholders will own approximately 77.0% (74.4% if the underwriters exercise their option to purchase additional shares from the Stockholders) of the issued and outstanding shares of Common Stock; and

WHEREAS, the parties hereto wish to set forth certain rights and obligations with respect to the registration of the shares of Common Stock under the Securities Act.

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement, the parties hereto agree as follows:

Section 1. Registrations Upon Request.

1.1. Requests by the Stockholders.

(a) Notice of Request. Each Stockholder shall have the right to make up to three requests (each, a "**Demand Registration**") that the Company effect the registration under the Securities Act of all or a portion of the Registrable Securities Beneficially Owned by such Stockholder (such Stockholder, in such capacity, the "**Initiating Stockholder**"), each such request to specify the number of Registrable Securities to be registered and the intended method or methods of disposition thereof; provided that, with respect to any shelf registration requested by an Initiating Stockholder pursuant to Section 1.1(b) (which initial request shall count as a request for purposes of this Section 1.1), each subsequent request by an Initiating Stockholder that the Company sell Registrable Securities from such Shelf Registration Statement (as such term is defined in part (b) of this Section 1.1) that is not made simultaneously with such initial request shall be counted as an additional request for purposes of this Section 1.1. Upon any such request (each, a "**Demand Request Notice**"), the Company will promptly, but in any event within 5 days, give written notice of such request to all holders of Registrable Securities and thereupon the Company will, subject to Section 1.4:

- (i) use its best efforts to effect the prompt registration under the Securities Act of
-

(A) the Registrable Securities which the Company has been so requested to register by the Initiating Stockholder, and

(B) all other Registrable Securities which the Company has been requested to register by the holders thereof by written request given to the Company by such holders within 30 days after the giving of such written notice by the Company to such holders (or, 15 days if, at the request of the Initiating Stockholder, the Company states in such written notice or gives telephonic notice to each holder of Registrable Securities, with written confirmation to follow promptly thereafter, stating that (i) such registration will be on Form S-3 and (ii) such shorter period of time is required because of a planned filing date),

all to the extent required to permit the disposition of the Registrable Securities so to be registered in accordance with the intended method or methods of disposition of the Initiating Stockholder and any "**Participating Stockholder**," which term shall refer to any Stockholder that exercises its right to participate in the registration initiated by the Initiating Stockholder, which intended method or methods of distribution may include, at the option of the Initiating Stockholder or the Participating Stockholder, as applicable, a distribution of such Registrable Securities to, and resale of such Registrable Securities by, the partners of the members of such Stockholder or Stockholders (a "**Partner Distribution**"); and

(ii) if requested by the Initiating Stockholder or any Participating Stockholder, as applicable, obtain acceleration of the effective date of the registration statement relating to such registration.

Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Initiating Stockholder or any Participating Stockholder, as applicable, seeking to effect a Partner Distribution, file any prospectus supplement or post-effective amendments and shall otherwise take any action necessary to include such language, if such language was not included in the initial registration statement, or revise such language if deemed necessary by such Stockholder or Stockholders, to effect such Partner Distribution.

(b) **Shelf Registration.** The right of each Stockholder to request a registration of Registrable Securities pursuant to **Section 1.1(a)** shall include the right from and after the first anniversary of the IPO to request that the Company file a registration statement to permit the requesting holder to sell Registrable Securities on a delayed or continuous basis pursuant to Rule 415 under the Securities Act (or any similar rule that may be adopted by the Commission) in accordance with the intended method or methods of disposition by such

requesting holder (a "**Shelf Registration Statement**"). Notwithstanding anything to the contrary herein,

(i) upon any Shelf Registration Statement having been declared effective, the Company shall use reasonable best efforts to keep such Shelf Registration Statement continuously effective in order to permit the prospectus included therein to be usable by the holders of Registrable Securities until the earlier of (x) such time as all Registrable Securities that could be sold under such Shelf Registration Statement have been sold or are no longer outstanding; (y) two years from the date of effectiveness; and (z) the date that each Stockholder can sell all Registrable Securities Beneficially Owned by it in accordance with Rule 144(k) under the Securities Act;

(ii) if, at any time following the effectiveness of any Shelf Registration Statement, either Stockholder desires to sell Registrable Securities pursuant thereto, such Stockholder shall notify the Company of such intent at least ten Business Days prior to any such sale (any such proposed transaction, a "**Take-down Transaction**"), and the Company thereupon shall prepare and file within ten Business Days after receipt of such notice a prospectus supplement or post-effective amendment to the Shelf Registration Statement, as necessary, to permit the consummation of such Take-down Transaction;

(iii) upon receipt of notice from a Stockholder regarding a Take-down Transaction as provided in clause (ii) of this **Section 1.1(b)**, the Company shall immediately deliver notice to any other holders of Registrable Securities whose Registrable Securities have been included in such Shelf Registration Statement and shall permit such holders to participate in such Take-down Transaction (subject to **Section 1.4**), it being understood, for the avoidance of doubt, that no holder other than the Stockholders shall have the right to initiate a Take-down Transaction;

(iv) each holder who participates in a Take-down Transaction shall be deemed through such participation to have represented to the Company that any information previously supplied by such holder to the Company in writing for inclusion in the Shelf Registration Statement, unless modified by such holder by written notice to the Company, remains accurate as of the date of the prospectus supplement or amendment to the Shelf Registration Statement, as applicable; and

(v) if the continued use of such Shelf Registration Statement at any time would require the Company to make any public disclosure of material, non-public information, disclosure of which, in the Board's good faith judgment, after consultation with independent outside counsel to the Company, (i) would be required to be made in any registration statement



filed with the Commission by the Company so that such registration statement would not be materially misleading and (ii) would not be required to be made at such time but for the filing of such registration statement; and the Company has a bona fide business purpose for not disclosing such information publicly, the Company may, upon giving prompt written notice of such action to the holders of Registrable Securities, suspend use of the Shelf Registration Statement (a "**Shelf Suspension**"); provided, however, that the Company shall not be permitted to exercise a Shelf Suspension (x) more than once during any 12 month period or (y) for a period exceeding 45 days on any one occasion. In the case of a Shelf Suspension, the holders of Registrable Securities agree to suspend use of the applicable prospectus in connection with any sale or purchase of, or offer to sell or purchase, Registrable Securities, upon receipt of the notice referred to above. Upon the written request of either the Initiating Stockholder or any Participating Stockholder, the Company shall provide such holder of Registrable Securities in writing with a general statement of the reasons for such postponement and an approximation of the anticipated delay. The Company shall immediately notify the holders of Registrable Securities upon the termination of any Shelf Suspension, amend or supplement the prospectus, if necessary, so it does not contain any untrue statement of a material fact or omission and furnish to the holders of Registrable Securities such numbers of copies of the prospectus as so amended or supplemented as such holders may reasonably request. The Company agrees, if necessary, to supplement or make amendments to the Shelf Registration Statement, if required by the registration form used by the Company for the shelf registration or by the instructions applicable to such registration form or by the Securities Act or as may reasonably be requested by the Majority Holders.

1.2. **Registration Statement Form.** A registration requested pursuant to **Section 1.1** shall be effected by the filing of a registration statement on a form of the Commission (i) selected by the Majority Holders, which form shall be reasonably acceptable to the Company; provided that the Company agrees that, at the request of the Initiating Stockholder, at such time as the Company becomes a "well-known seasoned issuer," as such term is defined in Rule 405 under the Securities Act, the Company will register an offering pursuant to **Section 1.1** on an "automatic shelf registration statement," as such term is defined in Rule 405 under the Securities Act and (ii) which shall permit the disposition of Registrable Securities in accordance with the intended method or methods of disposition specified in such request for registration, including, without limitation, a Partner Distribution or, as provided above, a continuous or delayed basis offering pursuant to Rule 415 under the Securities Act. The Company agrees to include in any such registration statement all information which, in the opinion of counsel to the Initiating Stockholder, counsel to any Participating Stockholder and counsel to the Company, is necessary or desirable to be included therein.

1.3. **Expenses.** The Company shall pay, and shall be responsible for, all Registration Expenses in connection with any registration requested under **Section 1.1**; provided that each

seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any, in respect of the Registrable Securities being registered for such seller.

1.4. **Effective Registration Statement.** A registration requested pursuant to this Section 1.1 shall not be deemed a Demand Registration (including for purposes of Section 1.1(a)) unless a registration statement with respect thereto has become effective and has been kept continuously effective for a period of at least 180 days (or such shorter period which shall terminate when all the Registrable Securities covered by such registration statement have been sold pursuant thereto) or, if such registration statement relates to an underwritten offering, such longer period as in the opinion of counsel for the underwriter or underwriters a prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer. Should a Demand Registration not become effective due to the failure of a holder of Registrable Securities participating in such offering of Registrable Securities (a "**Participating Holder**") to perform its obligations under this Agreement, or in the event the Initiating Stockholder withdraws or does not pursue its request for the Demand Registration as provided for in Section 1.6 below (in each of the foregoing cases, provided that at such time the Company is in compliance in all material respects with its obligations under this Agreement), then, such Demand Registration shall be deemed to have been effected (including for purposes of Section 1.1(a)); provided, that, if (i) the Demand Registration does not become effective because a material adverse change has occurred, or is reasonably likely to occur, in the condition (financial or otherwise), prospects, business, assets or results of operations of the Company and its subsidiaries taken as a whole subsequent to the date of the delivery of the Demand Request Notice, (ii) after the Demand Registration has become effective, such registration is interfered with by any stop order, injunction, or other order or requirement of the Commission or other governmental agency or court, (iii) the Demand Registration is withdrawn at the request of the Initiating Stockholder due to the advice of the managing underwriter(s) that the Registrable Securities covered by the registration statement could not be sold in such offering within a price range acceptable to the Initiating Stockholder, or (iv) the Initiating Stockholder reimburses the Company for any and all Registration Expenses incurred by the Company in connection with such request for a Demand Registration that was withdrawn or not pursued, then the Demand Registration shall not be deemed to have been effected and will not count as a Demand Registration.

1.5. **Right to Withdraw.** Any Participating Holder shall have the right to withdraw its request for inclusion of Registrable Securities in any registration statement pursuant to Section 1.1 at any time prior to the effective date of such registration statement by giving written notice to the Company of its request to withdraw. Upon receipt of notices from all Participating Holders to such effect, the Company shall cease all efforts to obtain effectiveness of the applicable registration statement, and whether the Initiating Stockholder's request for registration pursuant to Section 1.1 shall be counted as a Demand Registration for purposes of Section 1.6 shall be determined in accordance with Section 1.4 above.

1.6. **Priority in Demand Registrations.** Whenever the Company effects a registration pursuant to Section 1.1 in connection with an underwritten offering, no securities other than Registrable Securities shall be included among the securities covered by such registration unless

the Majority Holders consent in writing to the inclusion therein of such other securities, which consent may be subject to terms and conditions determined by the Majority Holders in their sole discretion. If a registration pursuant to Section 1.1 involves an underwritten offering, and the managing underwriter (or, in the case of an offering which is not underwritten, a nationally recognized investment banking firm) shall advise the Company in writing (with a copy to each Person requesting registration of Registrable Securities) that, in its opinion, the number of securities requested, and otherwise proposed to be included in such registration, exceeds the number which can be sold in such offering without materially and adversely affecting the offering price, the Company shall include in such registration, to the extent of the number which the Company is so advised can be sold in such offering without such material adverse effect, first, the Registrable Securities of the Initiating Stockholder and the Participating Stockholders and the Management Stockholders requesting inclusion in such registration, on a *pro rata* basis (based on the number of shares of Registrable Securities owned by each such holder), and second, the securities, if any, being sold by the Company. Notwithstanding the foregoing, the Management Stockholders shall not be entitled to participate in any such registration requested by an Initiating Stockholder to the extent that the managing underwriter (or, in the case of an offering that is not underwritten, a nationally recognized investment banking firm) shall determine in good faith and in writing (with a copy to each affected Person requesting registration of Registrable Securities), that the participation of the Management Stockholders would materially and adversely affect the marketability or offering price of the securities being sold in such registration, it being understood that the Company shall include in such registration that number of shares of the Management Stockholders which can be sold in such offering without materially and adversely affecting the marketability or offering price of the other securities to be sold in such registration. In the event of any such determination under this Section 1.6, the Company shall give the affected holders of Registrable Securities notice of such determination and in lieu of the notice otherwise required under Section 1.1.

Section 2. Incidental Registrations. If the Company at any time proposes to register any of its equity securities under the Securities Act (including, but not limited to, a shelf registration statement on Form S-3, but other than pursuant to a registration on Form S-4 or S-8 or any successor form) whether or not for sale for its own account, then the Company shall give prompt written notice (but in no event less than 30 days prior to the initial filing with respect thereto) to all holders of Registrable Securities regarding such proposed registration. Upon the written request of any such holder made within 15 days after the receipt of any such notice (which request shall specify the number of Registrable Securities intended to be disposed of by such holder and the intended method or methods of disposition thereof), the Company shall use its best efforts to effect the registration under the Securities Act of such Registrable Securities on a *pro rata* basis in accordance with such intended method or methods of disposition; provided that:

(a) (i) the Company shall not include Registrable Securities in such proposed registration to the extent that the Board shall have determined, after consultation with the managing underwriter for such offering, that it would materially and adversely affect the offering price to include any Registrable Securities in such registration and (ii) the Company shall not include Registrable Securities of any Management Stockholder in any proposed registration to the

extent that the managing underwriter (or, in the case of an offering that is not underwritten, a nationally recognized investment banker) shall determine in good faith that the participation of such Management Stockholder would materially and adversely affect the marketability or the offering price of the securities being sold in such registration and provided, further, that in the event of any such determination under clause (i) or (ii), the Company shall give the affected holders of Registrable Securities notice of such determination and in lieu of the notice otherwise required by the first sentence of this Section 2:

(b) if, at any time after giving written notice (pursuant to this Section 2) of its intention to register equity securities and prior to the effective date of the registration statement filed in connection with such registration, the Company shall determine for any reason not to register such equity securities, the Company may, at its election, give written notice of such determination to each holder of Registrable Securities and, thereupon, shall not be obligated to register any Registrable Securities in connection with such registration (but shall nevertheless pay the Registration Expenses in connection therewith), without prejudice, however, to the rights of the Stockholders that a registration be effected under Section 1.1; and

(c) if in connection with a registration pursuant to this Section 2, the managing underwriter of such registration (or, in the case of an offering that is not underwritten, a nationally recognized investment banking firm) shall advise the Company in writing (with a copy to each holder of Registrable Securities requesting registration thereof) that the number of securities requested and otherwise proposed to be included in such registration exceeds the number which can be sold in such offering without materially and adversely affecting the offering price of the securities being sold in such registration, then in the case of any registration pursuant to this Section 2, the Company shall include in such registration to the extent of the number which the Company is so advised can be sold in such offering without such material adverse effect, first, the securities, if any, being sold by the Company, and second, the Registrable Securities of the Stockholders and the Management Stockholders requesting inclusion in such registration, on a *pro rata* basis (based on the number of shares of Registrable Securities owned by each such Stockholder).

The Company shall pay all Registration Expenses in connection with each registration of Registrable Securities requested pursuant to this Section 2; provided that each seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any, in respect of the Registrable Securities being registered for such seller. No registration effected under this Section 2 shall relieve the Company from its obligation to effect registrations under Section 1.1.

Section 3. Registration Procedures. If and whenever the Company is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to Sections 1.1 or 2, the Company shall promptly:

(a) prepare, and as soon as practicable, but in any event within 30 days thereafter, file with the Commission, a registration statement with respect to such Registrable Securities, make all required filings with the NASD and use its best efforts to cause such registration statement to become and remain effective as soon as practicable;

(b) prepare and promptly file with the Commission such amendments and post-effective amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for so long as is required to comply with the provisions of the Securities Act and to complete the disposition of all securities covered by such registration statement in accordance with the intended method or methods of disposition thereof, but in no event for a period of more than six months after such registration statement becomes effective (except as provided in Section 1.1(b)(i));

(c) furnish copies of all documents proposed to be filed with the Commission in connection with such registration to (i) counsel selected by the Initiating Stockholder and counsel selected by any Participating Stockholder either of which counsel may also be counsel to the Company, and (ii) each seller of Registrable Securities (or in the case of the initial filing of a registration statement, within five business days of such initial filing) and such documents shall be subject to the review of such counsel; provided that the Company shall not file any registration statement or any amendment or post-effective amendment or supplement to such registration statement or the prospectus used in connection therewith or any free writing prospectus related thereto to which such counsel shall have reasonably objected on the grounds that such registration statement amendment, supplement or prospectus or free writing prospectus does not comply (explaining why) in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder;

(d) furnish to each seller of Registrable Securities, without charge, such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits and documents filed therewith) and such number of copies of the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, each free writing prospectus utilized in connection therewith, and such other documents, as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller in accordance with the intended method or methods of disposition thereof;

(e) use its best efforts to register or qualify such Registrable Securities and other securities covered by such registration statement under the securities or blue sky laws of such jurisdictions as each seller shall reasonably request, and do any and all other acts and things which may be necessary or advisable to enable such seller to consummate the disposition of such Registrable Securities in such jurisdictions in accordance with the intended method or methods of disposition thereof; provided that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it is not so qualified, subject itself to taxation in any jurisdiction wherein it is not so subject, or take any action which would subject it to general service of process in any jurisdiction wherein it is not so subject;

(f) use its best efforts to cause all Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary by virtue of the business and operations of the Company to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(g) furnish to the Initiating Stockholder and any Participating Stockholder:

(i) an opinion of counsel for the Company experienced in securities law matters, dated the effective date of the registration statement (and, if such registration includes an underwritten public offering, the date of the closing under the underwriting agreement); and

(ii) a "comfort" letter (unless the registration is pursuant to Section 2 and such a letter is not otherwise being furnished to the Company), dated the effective date of such registration statement (and if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), signed by the independent public accountants who have issued an audit report on the Company's financial statements included in the registration statement,

covering such matters as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to the underwriters in underwritten public offerings of securities and such other matters as the Initiating Stockholder and any Participating Stockholder may reasonably request;

(h) promptly notify each seller of any Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event or existence of any fact as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to

make the statements therein not misleading in light of the circumstances then existing, and, as promptly as is practicable, prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include 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 not misleading in light of the circumstances then existing;

(i) otherwise comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable and in any event within 16 months after the effective date of the registration statement, an earnings statement of the Company (in form complying with the provisions of Rule 158 under the Securities Act) covering the period of at least 12 months, but not more than 18 consecutive months, beginning with the first full calendar month after the effective date of such registration statement;

(j) notify each seller of any Registrable Securities covered by such registration statement (i) when the prospectus or any prospectus supplement or post-effective amendment or any "free writing prospectus" has been filed and/or used, and, with respect to such registration statement or any post-effective amendment, when the same has become effective, (ii) of the receipt by the Company of any comments from the Commission or of any request by the Commission for amendments or supplements to such registration statement or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose and (iv) of the suspension of the qualification of such securities for offering or sale in any jurisdiction, or of the institution of any proceedings for any of such purposes;

(k) use every reasonable effort to obtain the lifting of any stop order that might be issued suspending the effectiveness of such registration statement at the earliest possible moment;

(l) use its best efforts (i) (A) to list such Registrable Securities on any securities exchange on which the equity securities of the Company are then listed or, if no such equity securities are then listed, on an exchange selected by the Company, if such listing is then permitted under the rules of such exchange, or (B) if such listing is not practicable, to secure designation of such securities as a NASDAQ "national market system security" within the meaning of Rule 11Aa2-1 under the Exchange Act or, failing that, to secure NASDAQ authorization for such Registrable Securities, and, without limiting the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD, and (ii) to provide a transfer agent and registrar for such Registrable Securities not later than the effective date of such registration

statement and to instruct such transfer agent (A) to release any stop transfer order with respect to the certificates with respect to the Registrable Securities being sold and (B) to furnish certificates without restrictive legends representing ownership of the shares being sold, in such denominations requested by the sellers of the Registrable Securities or the lead underwriter;

(m) enter into such agreements and take such other actions as the sellers of Registrable Securities or the underwriters reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including, without limitation, preparing for, and participating in, such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition;

(n) furnish to any holder of such Registrable Securities such information and assistance as such holder may reasonably request in connection with any "due diligence" effort which such seller deems appropriate;

(o) cooperate with each seller of Registrable Securities and each underwriter and their respective counsel in connection with any filings required to be made with the NASD, New York Stock Exchange, or any other securities exchange on which such Registrable Securities are traded or will be traded;

(p) cooperate with the sellers of the Registrable Securities and the managing underwriter to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Majority Holders at least five business days prior to any sale of Registrable Securities and instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(q) cause its officers and employees to participate in, and to otherwise facilitate and cooperate with the preparation of the registration statement and prospectus and any amendments or supplements thereto (including participating in meetings, drafting sessions and due diligence sessions) taking into account the Company's business needs;

(r) use its best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby;

(s) take all reasonable action to ensure that any "free writing prospectus" utilized in connection with any registration covered by this agreement complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together



with the related prospectus, prospectus supplement and related documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(t) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the Commission such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

To the extent the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (a "**WKSI**") at the time any Demand Request Notice is submitted to the Company, and such Demand Request Notice requests that the Company file an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an "**automatic shelf registration statement**") on Form S-3, the Company shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Company shall use its commercially reasonable best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which such automatic shelf registration statement is required to remain effective. If the Company does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Company agrees to pay such fee at such time or times as the Registrable Securities are to be sold. If the automatic shelf registration statement has been outstanding for at least three years, at the end of the third year the Company shall refile a new automatic shelf registration statement covering the Registrable Securities. If at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, the Company shall use its commercially reasonable best efforts to refile the shelf registration statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Company files any shelf registration statement for the benefit of the holders of any of its securities other than the Stockholders, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B (referring to the unnamed selling security holders in a generic manner by identifying the initial issuance and sale of the securities to the Stockholders) in order to ensure that the Stockholders may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

As a condition to its registration of Registrable Securities of any prospective seller, the Company may require such seller of any Registrable Securities as to which any registration is being effected to execute powers-of-attorney, custody arrangements and other customary agreements appropriate to facilitate the offering and to furnish to the Company such

information regarding such seller, its ownership of Registrable Securities and the disposition of such Registrable Securities as the Company may from time to time reasonably request in writing and as shall be required by law in connection therewith. Each such holder agrees to furnish promptly to the Company all information required to be disclosed in such registration statement in order to make the information previously furnished to the Company by such holder and disclosed in such registration statement not materially misleading.

The Company agrees not to file or make any amendment to any registration statement with respect to any Registrable Securities, or any amendment of or supplement to the prospectus used in connection therewith, which refers to any holder of Registrable Securities, or otherwise identifies any holder of Registrable Securities as the holder of any Registrable Securities, without the prior consent of such holder, such consent not to be unreasonably withheld or delayed, unless such disclosure is required by law. Notwithstanding the foregoing, if any such registration statement or comparable statement under “blue sky” laws refers to any holder of Registrable Securities by name or otherwise as the holder of any securities of the Company, then such holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such holder and the Company, to the effect that the holding by such holder of such Registrable Securities is not to be construed as a recommendation by such holder of the investment quality of the Company’s securities covered thereby and that such holding does not imply that such holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such holder by name or otherwise is not in the judgment of the Company, as advised by counsel, required by the Securities Act or any similar federal statute or any state “blue sky” or securities law then in force, the deletion of the reference to such holder.

By acquisition of Registrable Securities, each holder of such Registrable Securities shall be deemed to have agreed that upon receipt of any notice from the Company of the happening of any event of the kind described in [Section 3\(h\)](#), such holder will promptly discontinue such holder’s disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such holder’s receipt of the copies of the supplemented or amended prospectus contemplated by [Section 3\(h\)](#). If so directed by the Company, each holder of Registrable Securities will deliver to the Company (at the Company’s expense) all copies, other than permanent file copies, in such holder’s possession of the prospectus covering such Registrable Securities at the time of receipt of such notice. In the event that the Company shall give any such notice, the period mentioned in [Section 3\(a\)](#) shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of any Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by [Section 3\(h\)](#).

#### Section 4. Underwritten Offerings.

4.1. Underwriting Agreement. If requested by the underwriters for any underwritten offering pursuant to a registration requested under [Section 1.1](#) or [2](#), the Company shall enter into an underwriting agreement with the underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the underwriters and to any Stockholder

participating in such registration (unless none of the Stockholders is participating in such registration, in which case, counsel to the Majority Holders). Any such underwriting agreement shall contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms and provisions as are customarily contained in agreements of this type, including, without limitation, indemnities to the effect and to the extent provided in Section 8. Each Stockholder and each other holder of Registrable Securities to be distributed by such underwriter who owns 10% or more of the Common Stock of the Company (computed on a fully-diluted basis) at the time of such offering shall be a party to such underwriting agreement and may, at such holder's option, require that any or all of the representations and warranties by, and the agreements on the part of, the Company to and for the benefit of such underwriters be made to and for the benefit of such holder of Registrable Securities and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement shall also be conditions precedent to the obligations of such holder of Registrable Securities. The Stockholders in their capacities as stockholders and/or controlling persons shall not be required by any underwriting agreement to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such holder, the ownership of such holder's Registrable Securities and such holder's intended method or methods of disposition and any other representation required by law or to furnish any indemnity to any Person which is broader than the indemnity furnished by such holder pursuant to Section 8.2.

4.2. Selection of Underwriters. If the Company at any time proposes to register any of its securities under the Securities Act for sale for its own account pursuant to an underwritten offering, the Company will have the right to select the managing underwriter (which shall be of nationally recognized standing) to administer the offering, but if a Stockholder at such time owns at least 51% of the number of shares of Common Stock it owns on the date hereof, only with the approval of such Stockholder(s), such approval not to be unreasonably withheld. Notwithstanding the foregoing sentence, whenever a registration requested pursuant to Section 1.1 is for an underwritten offering, the Initiating Stockholder will have the right to select the managing underwriter (which shall be of nationally recognized standing and reasonably acceptable to any Participating Stockholder) to administer the offering, but only with the approval of the Company, such approval not to be unreasonably withheld. In connection with an underwritten registered offering pursuant to Section 1.1, if Goldman, Sachs & Co. acts as a managing underwriter in any such registered offering, to the extent required by applicable law, the Company shall retain a Qualified Independent Underwriter reasonably acceptable to Goldman, Sachs & Co., and the Company shall pay all fees and expenses (other than underwriting discounts and commissions) of such Qualified Independent Underwriter.

Section 5. Holdback Agreements.

(a) If and whenever the Company proposes to register any of its equity securities under the Securities Act for its own account (other than on Form S-4 or S-8 or any successor form) or is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to Section 1.1 or 2, each holder of Registrable Securities agrees by acquisition of such Registrable Securities not to effect any offer, sale or distribution, including

any sale pursuant to Rule 144 under the Securities Act, or to request registration under Section 1.1 of any Registrable Securities within seven days prior to the reasonably expected effective date of the contemplated registration statement and during the period beginning on the effective date of the registration statement relating to such registration (the "Trigger Date") and until 90 days (unless advised by the managing underwriter that a longer period, not to exceed 180 days, is required, or such shorter period as the managing underwriter for any underwritten offering may agree) after the Trigger Date, except as part of such registration or unless, in the case of a sale or distribution not involving a public offering, the transferee agrees in writing to be subject to this Section 5, even if such Registrable Securities cease to be Registrable Securities upon such transfer. If requested by such managing underwriter, each holder of Registrable Securities agrees to execute an agreement to such effect with the Company and consistent with such managing underwriter's customary form of holdback agreement.

(b) The Company agrees not to effect any public offer, sale or distribution of its equity securities or securities convertible into or exchangeable or exercisable for any of such securities within seven days prior to the reasonably expected effective date of the contemplated registration statement and during the period beginning on the Trigger Date and until 90 days (or such longer period, not to exceed 180 days, which may be required by the managing underwriter, or such shorter period as the managing underwriter may agree) after the Trigger Date with respect to any registration statement filed pursuant to Section 1.1 (except (i) as part of such registration, (ii) as permitted by any related underwriting agreement, (iii) pursuant to an employee equity compensation plan, or (iv) pursuant to an acquisition or strategic relationship or similar transaction or (v) pursuant to a registration on Form S-4 or S-8 or any successor form). In addition, if, and to the extent requested by the managing underwriter, the Company shall use its best efforts to cause each holder (other than any holder already subject to Section 5(a)) of its equity securities or any securities convertible into or exchangeable or exercisable for any of such securities, whether outstanding on the date of this Agreement or issued at any time after the date of this Agreement (other than any such securities acquired in a public offering), to agree not to effect any such public offer, sale or distribution of such securities during such period, except as part of any such registration if permitted, and to cause each such holder to enter into an agreement to such effect with the Company and consistent with such managing underwriter's customary form of holdback agreement.

Section 6. Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement registering Registrable Securities under the Securities Act, the Company shall give counsel to the holders of such Registrable Securities so to be registered, the managing underwriter(s), and their respective counsel, accountants and other representatives and agents the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and shall give each of the foregoing parties access to the financial and other records, pertinent corporate documents and properties of the Company and its

subsidiaries and opportunities to discuss the business of the Company with its officers and the independent public accountants who have issued audit reports on its financial statements in each case as shall be reasonably requested by each of the foregoing parties in connection with such registration statement.

Section 7. No Grant of Future Registration Rights. The Company shall not grant any other demand or incidental registration rights to any other Person without the prior written consent of each Stockholder who, together with its Affiliates, continues to own at least 20% of the number of shares of Common Stock that such Stockholder owns on the date hereof. Notwithstanding the foregoing, the Company may grant incidental registration rights to John J. Lipinski pursuant to the Management Registration Rights Agreement.

Section 8. Indemnification.

8.1. Indemnification by the Company. The Company agrees that in the event of any registration of any Registrable Securities pursuant to this Agreement, the Company shall indemnify, defend and hold harmless (a) each holder of Registrable Securities, (b) the Affiliates of such holder and the respective directors, members, stockholders, officers, partners, employees, advisors, representatives, agents of such holder and its Affiliates, (c) each Person who participates as an underwriter or Qualified Independent Underwriter in the offering or sale of such securities and (d) each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any of the foregoing against any and all losses, penalties, fines, liens, judgments, claims, damages or liabilities (or actions or proceedings in respect thereof) and expenses (including reasonable fees of counsel and any amounts paid in settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed if such settlement is solely with respect to monetary damages), jointly or severally, directly or indirectly, based upon or arising out of (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Registrable Securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein or used in connection with the offering of securities covered thereby, or any amendment or supplement thereto, or any documents incorporated by reference therein, or any "free writing prospectus," as such term is defined in Rule 405 under the Securities Act, utilized in connection with any related offering, (ii) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading or (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein; and the Company will reimburse each such indemnified party for any legal or any other expenses reasonably incurred by them in connection with enforcing its rights hereunder or under the underwriting agreement entered into in connection with such offering or investigating, preparing, pursuing or defending any such loss, claim, damage, liability, action or proceeding as such expenses are incurred, except insofar as any such loss, penalty, fine, lien, judgment, claim, damage, liability, action, proceeding or expense arises out of or is based upon an untrue statement of a material fact or omission of a material fact made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement, document incorporated by reference therein or "free writing prospectus" utilized

in connection with any related offering in reliance upon and in conformity with written information furnished to the Company by such holder expressly for use in the preparation thereof in accordance with the second sentence of [Section 8.2](#). Such indemnity shall remain in full force and effect, regardless of any investigation made by such indemnified party and shall survive the transfer of such Registrable Securities by such seller.

8.2. **Indemnification by the Sellers.** The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to [Section 1.1](#) or [2](#), that the Company shall have received an undertaking satisfactory to it from each of the prospective sellers of such Registrable Securities to indemnify and hold harmless, severally, not jointly, in the same manner and to the same extent as set forth in [Section 8.1](#), the Company, its directors, officers, employees, agents and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company, with respect to any statement of a material fact or alleged statement of a material fact in or omission of a material fact from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or any “free writing prospectus” utilized in connection with any related offering, but only to the extent such statement or alleged statement or such omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such seller expressly for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement or “free writing prospectus”. The Company and the holders of the Registrable Securities in their capacities as stockholders and/or controlling persons hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such holders, the only information furnished or to be furnished to the Company for use in any registration statement or prospectus relating to the Registrable Securities or in any amendment, supplement or preliminary materials associated therewith or any “free writing prospectus” related thereto are statements specifically relating to (a) transactions between such holder and its Affiliates, on the one hand, and the Company, on the other hand, (b) the beneficial ownership of shares of Common Stock by such holder and its Affiliates and (c) the name and address of such holder. If any additional information about such holder or the plan of distribution (other than for an underwritten offering) is required by law to be disclosed in any such document, then such holder shall not unreasonably withhold its agreement referred to in the immediately preceding sentence of this [Section 8.2](#). Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling person and shall survive the transfer of such Registrable Securities by such seller. The indemnity agreement contained in this [Section 8.2](#) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of such seller (which consent shall not be unreasonably withheld or delayed if such settlement is solely with respect to monetary damages). The indemnity provided by each seller of Registrable Securities under this [Section 8.2](#) shall be limited in amount to the net amount of proceeds (i.e., net of expenses, underwriting discounts and commissions) actually received by such seller from the sale of Registrable Securities pursuant to such registration statement.

8.3. **Notices of Claims, etc.** Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding

paragraphs of this Section 8, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the indemnifying party of the commencement of such action or proceeding; provided that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 8, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, the indemnifying party shall be entitled to participate therein and to assume the defense thereof, jointly with any other indemnifying party similarly notified, to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof except for the reasonable fees and expenses of any counsel retained by such indemnified party to monitor such action or proceeding. Notwithstanding the foregoing, if such indemnified party reasonably determines, based upon advice of independent counsel, that a conflict of interest may exist between the indemnified party and the indemnifying party with respect to such action and that it is advisable for such indemnified party to be represented by separate counsel, such indemnified party may retain other counsel, reasonably satisfactory to the indemnifying party, to represent such indemnified party, and the indemnifying party shall pay all reasonable fees and expenses of such counsel. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of such indemnified party, which consent shall not be unreasonably withheld, consent to entry of any judgment or enter into any settlement unless such judgment, compromise or settlement (A) includes as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation, (B) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party, and (C) does not require any action other than the payment of money by the indemnifying party.

8.4. Other Indemnification. Indemnification similar to that specified in the preceding paragraphs of this Section 8 (with appropriate modifications) shall be given by the Company and each seller of Registrable Securities with respect to any required registration (other than under the Securities Act) or other qualification of such Registrable Securities under any federal or state law or regulation of any governmental authority.

8.5. Indemnification Payments. Any indemnification required to be made by an indemnifying party pursuant to this Section 8 shall be made by periodic payments to the indemnified party during the course of the action or proceeding, as and when bills are received by such indemnifying party with respect to an indemnifiable loss, penalty, fine, lien, judgment, claim, damage, liability or expense incurred by such indemnified party.

8.6. Other Remedies. If for any reason any indemnification specified in the preceding paragraphs of this Section 8 is unavailable, or is insufficient to hold harmless an indemnified party, other than by reason of the exceptions provided therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, penalties, fines, liens, judgments, claims, damages, liabilities, actions, proceedings or expenses in such proportion as is appropriate to reflect the relative benefits to and faults of the

indemnifying party on the one hand and the indemnified party on the other and the statements or omissions or alleged statements or omissions which resulted in such loss, penalty, fine, lien, judgment, claim, damage, liability, action, proceeding or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statements or omissions. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 8.6 were to be determined by *pro rata* allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the preceding sentence of this Section 8.6. 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. Notwithstanding the other provisions of this Section 8, in respect of any claim for indemnification pursuant to this Section 8, no indemnifying party (other than the Company) shall be required to contribute pursuant to this Section 8.6 any amount in excess of (a) the net proceeds (i.e., net of expenses, underwriting discounts and commissions) received and retained by such indemnifying party from the sale of its Registrable Securities covered by the applicable registration statement, preliminary prospectus, final prospectus, or supplement or amendment thereto, filed pursuant hereto minus (b) any amounts previously paid by such indemnifying party pursuant to this Section 8 in respect of such claim, it being understood that insofar as such net proceeds have been distributed by any indemnifying party to its partners, stockholders or members, the amount of such indemnifying party's contribution hereunder shall be limited to the net proceeds which it actually recovers from its partners, stockholders or members based upon their relative fault and that to the extent that such indemnifying party has not distributed such net proceeds, the amount such indemnifying party's contribution hereunder shall be limited by the percentage of such net proceeds which corresponds to the percentage equity interests in such indemnifying party held by those of its partners, stockholders or members who have been determined to be at fault. No party shall be liable for contribution under this Section 8.6 except to the extent and under such circumstances as such party would have been liable for indemnification under this Section 8 if such indemnification were enforceable under applicable law.

Section 9. Representations and Warranties. Each Stockholder represents and warrants to the Company and each other Stockholder that:

(a) such Stockholder has the power, authority and capacity (or, in the case of any Stockholder that is a corporation, limited liability company or limited partnership, all corporate, limited liability company or limited partnership power and authority, as the case may be) to execute, deliver and perform this Agreement;

(b) in the case of a Stockholder that is a corporation, limited liability company or limited partnership, the execution, delivery and performance of this Agreement by such Stockholder has been duly and validly authorized and



approved by all necessary corporate, limited liability company or limited partnership action, as the case may be;

(c) this Agreement has been duly and validly executed and delivered by such Stockholder and constitutes a valid and legally binding obligation of such Stockholder, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors' rights generally and general principles of equity; and

(d) the execution, delivery and performance of this Agreement by such Stockholder does not and will not violate the terms of or result in the acceleration of any obligation under (i) any material contract, commitment or other material instrument to which such Stockholder is a party or by which such Stockholder is bound or (ii) in the case of a Stockholder that is a corporation, limited liability company or limited partnership, the certificate of incorporation, certificate of formation, certificate of limited partnership, by-laws, limited liability company agreement or limited partnership agreement, as the case may be.

Section 10. Definitions. For purposes of this Agreement, the following terms shall have the following respective meanings:

“Affiliate”: a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

“Board”: the board of directors of the Company.

“Commission”: the Securities and Exchange Commission.

“Common Stock”: the common stock of the Company, par value \$.01 per share, now or hereafter authorized to be issued, and any and all securities of any kind whatsoever of the Company or any successor thereof (such securities, “Convertible Securities”) which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of shares of Common Stock pursuant to a merger, consolidation, stock split, reverse split, stock dividend, recapitalization of the Company or otherwise.

“Exchange Act”: the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

“IPO”: the initial public offering of Common Stock.

“Majority Holders”: the holders of at least 51% of the Registrable Securities that are participating in the registration at issue.

“Majority Voting Holders”: the holders of at least 51% of the Registrable Securities.

“Management Registration Rights Agreement”: the management registration rights agreement, dated the date hereof, by and among the Company, John J. Lipinsky and any other parties added thereto in accordance with Section 7 hereof, as amended from time to time.

“Management Stockholders”: employees of the Company or its subsidiaries who hold Common Stock and who have entered into the Management Registration Rights Agreement with the Company.

“NASD”: National Association of Securities Dealers, Inc.

“NASDAQ”: the Nasdaq National Market.

“Person”: an individual, corporation, partnership, limited liability company, joint venture, business association, trust or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Registrable Securities”: the shares of Common Stock Beneficially Owned by the Stockholders, the Management Stockholders or their respective Permitted Transferees (as such term is defined in Section 11.2), as applicable, except for any shares of Common Stock Beneficially Owned by a Management Stockholder that (i) were issued to such Management Stockholder pursuant to an effective registration statement under the Securities Act on Form S-8 or (ii) may be sold by such Management Stockholder pursuant to Rule 144 under the Securities Act, which shares of Common Stock Beneficially Owned by a Management Stockholder shall not be Registrable Securities. For purposes of this Agreement, a Person will be deemed to “Beneficially Own” or “hold” Registrable Securities whenever such Person has the right to acquire, directly or indirectly, such Registrable Securities (upon conversion, exercise or exchange of any Convertible Securities but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such Person shall not be required to convert, exercise or exchange such Convertible Security (or otherwise acquire such Registrable Security) to participate in any registered offering hereunder prior to the closing of such offering. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) a registration statement on Form S-8 with respect to the sale of such securities shall have become effective under the Securities Act, (iii) such securities shall have been sold to the public pursuant to Rule 144 under the Securities Act, or (iv) such securities shall have ceased to be outstanding. Any and all shares of Common Stock which may be issued in respect of, in exchange for, upon conversion of, or in substitution for any Registrable Securities, whether by reason of any stock split, stock dividend, reverse stock split, recapitalization, combination, merger, consolidation or otherwise, shall also be “Registrable Securities” hereunder.

“Registration Expenses”: all fees and expenses incurred in connection with the Company’s performance of or compliance with any registration pursuant to this Agreement, including, without limitation, (i) registration, filing and applicable Commission and NASD fees, (ii) fees and expenses of complying with securities or blue sky laws, (iii) fees and expenses

associated with listing securities on an exchange or NASDAQ, (iv) word processing, duplicating and printing expenses, (v) messenger and delivery expenses, (vi) transfer agents', trustees', depositories', registrars' and fiscal agents' fees, (vii) fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits or "cold comfort" letters required by, or incident to, such registration, (viii) reasonable fees and disbursements of any one counsel retained by the Initiating Stockholder and any one counsel retained by the Participating Stockholder, and (ix) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding underwriting discounts and commissions and transfer taxes, if any.

"Securities Act": the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

Section 11. Miscellaneous.

11.1. Rule 144, etc. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act relating to any class of equity securities, the Company shall file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder, and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such rule may be amended from time to time, or (b) any successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities, the Company shall deliver to such holder a written statement as to whether it has complied with such requirements, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents as such holder may reasonably request in order to avail itself of any rule or regulation of the Commission allowing it to sell any Registrable Securities without registration.

11.2. Successors, Assigns and Transferees. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective permitted successors, personal representatives and assigns under this Section 11.2. The Company may not assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the Majority Voting Holders. The provisions of this Agreement which are for the benefit of a holder of Registrable Securities shall be for the benefit of and enforceable by any transferee of such Registrable Securities. Any holder of Registrable Securities may, at its election and at any time or from time to time, assign its rights under this Agreement, in whole or in part, to any Person to whom such holder sells, assigns or otherwise transfers its shares of Registrable Securities; provided that (i) such transferee acquires such Registrable Securities in accordance with any then applicable transfer restrictions in respect of such Registrable Securities, (ii) no such assignment shall be binding upon or obligate the Company to any such transferee unless and until such transferee executes a joinder agreement agreeing to be bound by all of the transferor's obligations hereunder, including, without limitation, Section 5 hereof, copies of which shall have been delivered to the Company (each such transferee, a "**Permitted**

**Transferee**") and (iii) the rights of CA and CA II to make a Demand Registration pursuant to Section 1.1 may only be assigned as a whole and not in part (and otherwise in accordance with the other provisions of this proviso).

11.3. **Stock Splits, etc.** Each holder of Registrable Securities agrees that it will vote to effect a stock split, reverse stock split, recapitalization or combination with respect to any Registrable Securities in connection with any registration of any Registrable Securities hereunder, or otherwise, if (i) the managing underwriter shall advise the Company in writing (or, in connection with an offering that is not underwritten, if an investment banker shall advise the Company in writing) that in its opinion such a stock split, reverse stock split, recapitalization or combination would facilitate or increase the likelihood of success of the offering, and (ii) such stock split, reverse stock split, recapitalization or combination does not impact the respective ownership percentages of each such holder of Registrable Securities in the Company. The Company shall cooperate in all respects in effecting any such stock split, reverse stock split, recapitalization or combination.

11.4. **Amendment and Modification.** This Agreement may be amended, waived, modified or supplemented by the Company only with the prior written consent of each of CA and CA II and a majority (by number of shares) of any other holders of Registrable Securities whose interests would be adversely affected by such amendment, waiver modification or supplement; provided that the interests of any existing holders of Registrable Securities shall not be adversely affected by an amendment, waiver, modification or settlement of this Agreement that provides for or has the effect of providing for an additional grant of incidental registration rights with a lower or the same priority as the rights held by such existing holders of Registrable Securities, as long as any such grant of incidental registration rights with the same priority are *pari passu* with those held by such existing holders of Registrable Securities. Each holder of Registrable Securities shall be bound by any such amendment, waiver, modification or supplement authorized in accordance with this Section 11.4, whether or not such Registrable Securities shall have been marked to indicate such amendment, waiver, modification or supplement. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The execution of a counterpart signature page to this Agreement by a Permitted Transferee pursuant to Section 11.2 shall not require consent of any party hereto and shall not be deemed an amendment to this Agreement.

11.5. **Governing Law; Venue and Service of Process.** This Agreement and the rights and obligations of the parties hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of Delaware, without giving effect to the choice of law principles thereof. By execution and delivery of this Agreement, each of the parties hereto hereby irrevocably and unconditionally (i) consents to submit to the exclusive jurisdiction of the courts of the State of New York in New York County and the United

States District Court for the Southern District of New York (collectively, the "**Selected Courts**") for any action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby, and agrees not to commence any action or proceeding relating thereto except in the Selected Courts, provided, that, a party may commence any action or proceeding in a court other than a Selected Court solely for the purpose of enforcing an order or judgment issued by one of the Selected Courts; (ii) consents to service of any process, summons, notice or document in any action or proceeding by registered first-class mail, postage prepaid, return receipt requested or by nationally recognized courier guaranteeing overnight delivery in accordance with Section 11.8 hereof and agrees that such service of process shall be effective service of process for any action or proceeding brought against it in any such court, provided, that, nothing herein shall affect the right of any party hereto to serve process in any other manner permitted by law; (iii) waives any objection to the laying of venue of any action or proceeding arising out of this Agreement or the transactions contemplated hereby in the Selected Courts; and (iv) waives and agrees not to plead or claim in any court that any such action or proceeding brought in any such Selected Court has been brought in an inconvenient forum.

11.6. Invalidity of Provision. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

11.7. Notices. All notices, requests, demands, letters, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows:

- (i) If to the Company, to it at:  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

with copies (which shall not constitute notice) to the Stockholders and their respective counsel at their respective addresses set forth in clauses (iv) and (v) below.

- (ii) If to CA, to it at:  
c/o GS Capital Partners V Fund, L.P.  
c/o Goldman, Sachs & Co.  
85 Broad Street  
New York, New York 10004

Attention: Kenneth Pontarelli  
Facsimile No.: 212-357-5505

with a copy (which shall not constitute notice) to:

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000

(iii) If to CA II, to it at:

c/o Kelso & Company, L.P.  
320 Park Avenue, 24th Floor  
New York, New York 10022  
Attention: General Counsel  
Facsimile No.: 212-223-2379

with a copy (which shall not constitute notice) to:

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

or to such other Person or address as any party shall specify by notice in writing to the Company. All such notices, requests, demands, letters, waivers and other communications shall be deemed to have been received (w) if by personal delivery, at the time delivered by hand (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

11.8. Headings; Execution in Counterparts. The headings and captions contained herein are for convenience and shall not control or affect the meaning or construction of any provision hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same instrument.

11.9. Injunctive Relief. Each of the parties recognizes and agrees that money damages may be insufficient and, therefore, in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which such party may have.

11.10. Term. This Agreement shall be effective as of the date hereof and shall continue in effect thereafter until the earlier of (a) its termination by the written consent of the parties hereto or their respective successors in interest and (b) the date on which no Registrable Securities remain outstanding.

11.11. Further Assurances. Subject to the specific terms of this Agreement, each of the Company and the Stockholders shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby.

11.12. Entire Agreement. This Agreement and any agreements entered into in connection with this Agreement constitute the entire agreement and the understanding of the parties hereto with respect to the matters referred to herein. This Agreement and the agreements referred to in the preceding sentence supersede all prior agreements and understandings between the parties with respect to such matters.

11.13. No Third Party Beneficiaries. This Agreement is not intended to, and does not, confer upon any Person, except for the parties hereto, any rights or remedies hereunder.

*[Signature page follows]*

IN WITNESS WHEREOF this Agreement has been signed by each of the parties hereto, and shall be effective as of the date first above written.

CVR ENERGY, INC.

By: /s/ John J. Lipinski

Name: John J. Lipinski

Title: Chief Executive Officer

COFFEYVILLE ACQUISITION LLC

By: /s/ James T. Rens

Name: James T. Rens

Title: Chief Financial Officer

COFFEYVILLE ACQUISITION II LLC

By: /s/ Stanley A. Riemann

Name: Stanley A. Riemann

Title: Chief Operating Officer

*[Signature page to Registration Rights Agreement]*



**SUBSCRIPTION AGREEMENT**

IN MAKING AN INVESTMENT DECISION, EMPLOYEE MUST RELY ON EMPLOYEE'S OWN EXAMINATION OF THE EMPLOYER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE OR NON-U.S. SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), AND OTHER APPLICABLE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. EMPLOYEE SHOULD BE AWARE THAT HE WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

SUBSCRIPTION AGREEMENT (this "Agreement"), dated as of October 16, 2007, by and among CVR Energy Inc., a Delaware corporation (the "Employer"), and John J. Lipinski ("Employee").

WHEREAS, on March 9, 2007, Employee acquired 0.21253757 of a share of common stock, par value \$.01 per share, of Coffeyville Nitrogen Fertilizers, Inc., a Delaware corporation and an affiliate of the Employer ("CNF") and such stock, the "Nitrogen Stock") and on August 22, 2007 Employee acquired 0.10441996 of a share of common stock, par value \$.01 per share, of Coffeyville Refining & Marketing Holdings, Inc., a Delaware corporation and an affiliate of the Employer ("CRMH") and such stock, the "Refining Holdings Stock";

WHEREAS, on the terms and conditions contained in this Agreement, Employee desires to acquire and Employer desires to issue to Employee, 247,471 shares of common stock, \$0.01 par value per share, of Employer (the "Issued Stock") in exchange for Employee's Nitrogen Stock and Employee's Refining Stock (the "Exchanged Stock");

WHEREAS, the boards of directors of each of CNF and CRMH has approved the exchange of the Exchanged Stock for the Issued Stock; and

WHEREAS, on October 16, 2007 (i) CNF entered into an Agreement and Plan of Merger (the "CNF Merger Agreement") with CVR MergerSub 2, Inc. ("MergerSub 2"), and (ii) CRMH entered into an Agreement and Plan of Merger (the "CRMH Merger Agreement") with CVR MergerSub 3, Inc. ("MergerSub 3");

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NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, Employer and Employee hereby agree as follows:

**Section 1. Acquisition of Common Stock.** Upon the terms and subject to the conditions set forth herein, at the Closing, as defined below, Employer shall issue to Employee, the Issued Stock in exchange for the Exchanged Stock; ~~provided, however,~~ that if by October 19, 2007 (i) MergerSub 2 has not been merged with and into CNF pursuant the CNF Merger Agreement, and (ii) MergerSub 3 has not been merged with and into CRMH pursuant to the CRMH Merger Agreement, Employee shall have the right to exchange all 247,471 shares of the Issued Stock for 0.21253757 of a share of Nitrogen Stock and 0.10441996 of a share of Refining Holdings Stock.

**Section 2. Closing.** The closing of the acquisition of the Issued Stock in exchange for the Exchange Stock hereunder (the "Closing") shall take place at the offices of Employer on the effective date of (but prior to) the mergers of (i) MergerSub 2 with and into CNF pursuant the CNF Merger Agreement, and (ii) MergerSub 3 with and into CRMH pursuant to the CRMH Merger Agreement. At the Closing, Employer shall deliver an original stock certificate to Employee representing the Issued Stock and in exchange therefore, Employee shall deliver or cause to be delivered to Employer an original stock certificate or certificates representing the Exchanged Stock, along with duly executed stock powers.

**Section 3. Representations and Warranties of Employer.** Employer hereby represents and warrants to Employee as follows:

(a) Employer is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with full power and authority to execute and deliver this Agreement and to perform its obligations hereunder and thereunder;

(b) Employer has duly executed and delivered this Agreement;

(c) all necessary corporate actions required to be taken by or on behalf of Employer to authorize it to execute, deliver and perform its obligations under this Agreement have been taken and this Agreement constitutes Employer's legal, valid and binding obligation, enforceable against Employer in accordance with the terms hereof;

(d) the execution and delivery of this Agreement and the consummation by Employer of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to Employer or by which Employer or any material portion of its properties is bound;

(e) except for any applicable filings under federal and state securities laws, no consent, approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by Employer in connection with the execution and delivery of this Agreement or the performance of Employer's obligations hereunder; and

(f) upon issuance of the Issued Stock, the Issued Stock will represent duly authorized, validly issued and non-assessable shares of Common Stock and Employee shall be the record owner of the Issued Stock.

**Section 4. Representations and Warranties of Employee.** Employee hereby represents, warrants and acknowledges to Employer as follows:

(a) Employee has duly executed and delivered this Agreement;

(b) all actions required to be taken by or on behalf of Employee to authorize him to execute, deliver and perform his obligations under this Agreement have been taken and this Agreement constitutes Employee's legal, valid and binding obligation, enforceable against Employee in accordance with the terms hereof and thereof;

(c) the execution and delivery of this Agreement and the consummation by Employee of the transactions contemplated hereby in the manner contemplated hereby do not and will not conflict with, or result in a breach of any terms of, or constitute a default under, any agreement or instrument or any applicable law, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority which is applicable to Employee or by which Employee or any material portion of his properties is bound;

(d) no consent, approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or third person is required to be obtained by Employee in connection with the execution and delivery of this Agreement or the performance of Employee's obligations hereunder;

(e) Employee is a resident of Texas;

(f) Employee is receiving the Issued Stock solely for Employee's own account for investment and not with a view to resale in connection with any distribution thereof;

(g) Employee acknowledges receipt of advice from Employer that (i) the Issued Stock has not been registered under the Securities Act or qualified under any state securities or "blue sky" laws, (ii) it is not anticipated that there will be any public market for the Issued Stock, (iii) the Issued Stock must be held indefinitely and Employee must continue to bear the economic risk of the investment in the Issued Stock unless the Issued Stock is subsequently registered under the Securities Act and such state laws or an exemption from registration is available, (iv) Rule 144 promulgated under the Securities Act ("**Rule 144**") is not presently available with respect to sales of any securities of Employer and Employer has made no covenant to make Rule 144 available and Rule 144 is not anticipated to be available in the foreseeable future, (v) when and if the Issued Stock may be disposed of without registration in reliance upon Rule 144, such disposition can be made only in limited amounts and in accordance with the terms and conditions of such Rule and the provisions of this Agreement and the Stockholders Agreement, (vi) if the exemption afforded by Rule 144 is not available, public sale of the Issued Stock without registration will require the availability of an exemption under the Securities Act, (vii) restrictive legends shall be placed on any certificate representing the Issued

Stock and (viii) a notation shall be made in the appropriate records of Employer indicating that the Issued Stock is subject to restrictions on transfer and, if Employer should in the future engage the services of a transfer agent, appropriate stop-transfer instructions will be issued to such transfer agent with respect to the Issued Stock;

(h) Employee's financial situation is such that Employee can afford to bear the economic risk of holding the Issued Stock for an indefinite period and Employee can afford to suffer the complete loss of Employee's investment in the Issued Stock;

(i) (x) Employee is familiar with the business and financial condition, properties, operations and prospects of Employer and Employee has been granted the opportunity to ask questions of, and receive answers from, representatives of Employer concerning Employer and the terms and conditions of the acquisition of the Issued Stock and to obtain any additional information that Employee deems necessary, (y) Employee's knowledge and experience in financial and business matters is such that Employee is capable of evaluating the merits and risk of the investment in the Issued Stock and (z) Employee has carefully reviewed the terms and provisions of this Agreement and the Stockholders Agreement and has evaluated the restrictions and obligations contained therein;

(j) in furtherance of the foregoing, Employee represents and warrants that (i) no representation or warranty, express or implied, whether written or oral, as to the financial condition, results of operations, prospects, properties or business of Employer or as to the desirability or value of an investment in Employer has been made to Employee by or on behalf of Employer, (ii) Employee has relied upon Employee's own independent appraisal and investigation, and the advice of Employee's own counsel, tax advisors and other advisors, regarding the risks of an investment in Employer and (iii) Employee will continue to bear sole responsibility for making its own independent evaluation and monitoring of the risks of its investment in Employer;

(k) Employee is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act and, in connection with the execution of this Agreement, agrees to deliver such certificates to that effect as the board of directors of Employer may request;

(l) Employee understands and acknowledges that (a) he is being issued the Common Stock in reliance on an exemption under the federal securities laws that permits companies to issue stock to their employees and directors without registration under limited circumstances when such stock is issued in compensatory circumstances, (b) that he is being issued the Common Stock as part of his compensation for services to the Company and its subsidiaries and (c) that he would not be issued the Common Stock if he were not an employee or director of the Company or one of its subsidiaries; and

(m) Employee is the record and beneficial owner of the Exchanged Stock and has requisite power and authority to transfer the Exchanged Stock as provided in this Agreement and Employee is delivering to Employer, good and marketable title to the Exchanged Stock, free and clear of any and all liens, claims, charges, security interests, options or other encumbrances, other than those provided under federal or state securities laws and other than

those arising under the CRMH Stockholders Agreement, dated August 22, 2007, and the CFN Stockholders, dated March 9, 2007 (each of which will terminate pursuant to Termination Agreements with each of CRMH and CFN, each dated the date hereof, immediately after the consummation of the transactions contemplated by this Agreement).

**Section 5. Governing Law.** This Agreement and the rights and obligations of the parties hereto hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

**Section 6. Notices.** All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(a) If to Employer:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

with copies (which shall not constitute notice) to:

GS Capital Partners V Fund, L.P.  
c/o Goldman, Sachs & Co.  
85 Broad Street  
New York, New York 10004  
Attention: Kenneth Pontarelli  
Facsimile No.: 212-357-5505

Kelso & Company, L.P.  
320 Park Avenue, 24<sup>th</sup> Floor  
New York, New York 10022  
Attention: James J. Connors II  
Facsimile No.: 212-223-2379

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000

and

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

(b) If to Employee:

2277 Plaza Drive  
Suite 500  
SugarLand, Tx 77479  
Facsimile No.: (281) 207-7747

All such notices, requests, demands, waivers and other communications shall be deemed to have been received by (w) if by personal delivery, on the day delivered, (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

**Section 7. Entire Agreement, etc.** This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes any prior agreement or understanding among them with respect to the matters referred to herein. There are no representations, warranties, promises, inducements, covenants or undertakings relating to shares of Issued Stock, other than those expressly set forth or referred to herein or in the Management Registration Rights Agreement, by and between Employer and Employee, dated as of the date hereof.

**Section 8. Amendments and Waivers.** This Agreement may not be modified or amended except by a written instrument signed by authorized representatives of all parties affected by such modification or amendment and referring specifically to this Agreement. Waiver by any party hereto of any breach or default by any other party of any of the terms of this Agreement shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the parties hereto or from any failure by any party to assert its or his or her rights hereunder on any occasion or series of occasions.

**Section 9. Assignment.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each of the parties hereto.

**Section 10. Severability.** If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby and shall continue in full force and effect.

**Section 11. Counterparts.** For the convenience of the parties hereto, this

Agreement may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

**Section 12. Captions.** The Section and paragraph captions herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

**Section 13. Survival of Representations and Warranties; Indemnity.** All representations, warranties and covenants contained herein or made in writing by Employee, or by or on behalf of Employer in connection with the transactions contemplated by this Agreement, shall survive the execution and delivery of this Agreement, any investigation at any time made by or on behalf of Employer or Employee, the issue and sale of the Issued Stock. Employee shall and hereby does indemnify and hold harmless Employer from and against any and all losses, claims, damages, expenses and liabilities relating to or arising out of any breach of any representation, warranty or covenant made by Employee in this Agreement.

*[Signature page follows]*

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto on the date first herein above written.

CVR ENERGY, INC.

By: /s/ James T. Rens

Name: James T. Rens

Title: Chief Financial Officer

/s/ John J. Lipinski

JOHN J. LIPINSKI

*[Signature page to Subscription Agreement]*



Coffeyville Acquisition LLC  
10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103

October 24, 2007

Goldman, Sachs & Co.  
85 Broad Street  
New York, New York 10004

Kelso & Company, L.P.  
320 Park Avenue, 24<sup>th</sup> Floor  
New York, New York 10022

Ladies and Gentlemen:

Reference is made to that letter agreement, dated June 24, 2005, by and between Coffeyville Acquisition LLC (the "Company") and Goldman, Sachs & Co. ("GS" and such letter, the "GS Letter"), and that letter agreement, dated June 24, 2005, by and between the Company and Kelso & Company, L.P. ("Kelso, and such letter, the "Kelso Letter").

The parties hereto acknowledge that (i) each of the GS Letter and the Kelso Letter will terminate upon the consummation of the initial public offering of shares of common stock of CVR Energy, Inc., a Delaware corporation and a direct subsidiary of the Company, and (ii) the Company's obligations to indemnify each member of the Goldman Group (as such term is defined in the GS Letter) and each member of the Kelso Group (as such term is defined in the Kelso Letter) and to reimburse the out-of-pocket expenses of the Goldman Group and the Kelso Group, as outlined in the GS Letter and the Kelso Letter, will survive such termination. The parties hereto further acknowledge and agree that the fee payable with respect to such termination shall equal \$10,000,000 (\$5,000,000 to GS and \$5,000,000 to Kelso).

[signature page follows]

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Very truly yours,

COFFEYVILLE ACQUISITION LLC

By /s/ James T. Rens

Name: James T. Rens

Title: Chief Financial Officer

*[Signature Page to Letter Agreement]*

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Agreed and accepted:

GOLDMAN, SACHS & CO.

By: /s/ Kenneth A. Pontarelli

Name:

Title:

KELSO & COMPANY, L.P.

By: Kelso & Companies, Inc.,  
its General Partner

By: /s/ James J. Connors, II

Name: James J. Connors, II

Title: Vice President & General Counsel

*[Signature Page to Letter Agreement]*

**REGISTRATION RIGHTS AGREEMENT**

**CVR PARTNERS, LP**

**Dated as of October 24, 2007**

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TABLE OF CONTENTS

		Page
Section 1.	Registrations Upon Request	1
1.1.	Requests by the Unitholders	1
1.2.	Registration Statement Form	4
1.3.	Expenses	5
1.4.	Effective Registration Statement	5
1.5.	Right to Withdraw	6
1.6.	Priority in Demand Registrations	6
Section 2.	Incidental Registrations	6
Section 3.	Registration Procedures	8
Section 4.	Underwritten Offerings	14
4.1.	Underwriting Agreement	14
4.2.	Selection of Underwriters	14
Section 5.	Holdback Agreements	15
Section 6.	Preparation; Reasonable Investigation	16
Section 7.	Reserved	16
Section 8.	Indemnification	16
8.1.	Indemnification by the Partnership	16
8.2.	Indemnification by the Sellers	17
8.3.	Notices of Claims, etc	18
8.4.	Other Indemnification	18
8.5.	Indemnification Payments	18
8.6.	Other Remedies	19
Section 9.	Representations and Warranties	19
Section 10.	Definitions	20
Section 11.	Miscellaneous	21
11.1.	Rule 144, etc	21
11.2.	Successors, Assigns and Transferees	22
11.3.	Splits, etc	22
11.4.	Amendment and Modification	22
11.5.	Governing Law; Venue and Service of Process	23

	<u>Page</u>	
11.6.	Invalidity of Provision	23
11.7.	Notices	24
11.8.	Headings: Execution in Counterparts	24
11.9.	Injunctive Relief	24
11.10.	Term	25
11.11.	Further Assurances	25
11.12.	Entire Agreement	25

**REGISTRATION RIGHTS AGREEMENT  
of CVR Partners, LP**

REGISTRATION RIGHTS AGREEMENT, dated as of October 24, 2007 (the "**Agreement**"), by and among CVR Partners, LP, a Delaware limited partnership (the "**Partnership**"), CVR Special GP, LLC, a Delaware limited liability company (the "**Special General Partner**") and Coffeyville Resources, LLC, a Delaware limited liability company (the "**Organizational Limited Partner**"). The Special General Partner and the Organizational Limited Partner are hereinafter referred to collectively as the "**Unitholders**." Capitalized terms used herein without definition are defined in Section 10.

WHEREAS, as of the date hereof, the Partnership, the Unitholders and certain other parties entered into a Contribution, Conveyance and Assumption Agreement (the "**Contribution Agreement**") pursuant to which the Partnership has agreed to issue to each Holder Special Units;

WHEREAS, to induce the Unitholders to enter into the Contribution Agreement and to consummate the transactions contemplated therein, the Partnership has agreed to provide the registration and other rights set forth in this Agreement for the benefit of the Holders;

WHEREAS, the parties hereto wish to set forth certain rights and obligations with respect to the registration of (a) the Common LP Units issuable in exchange for the Special Units under the Partnership Agreement and (b) the Common LP Units issuable upon conversion of any Subordinated Units under the Partnership Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement, the parties hereto agree as follows:

Section 1. Registrations Upon Request.

1.1. Requests by the Unitholders.

(a) Notice of Request. Following the Initial Public Offering, each of the Special General Partner and the Organizational Limited Partner shall have the right to make up to three requests (each, a "**Demand Registration**") that the Partnership effect the registration under the Securities Act of all or a portion of the Registrable Securities Beneficially Owned by the Special General Partner or the Organizational Limited Partner, as the case may be (the Special General Partner or the Organizational Limited Partner, in such capacity, the "**Initiating Unitholder**"), each such request to specify the number of Registrable Securities to be registered and the intended method or methods of disposition thereof; provided that, with respect to any shelf registration requested by an Initiating Unitholder pursuant to Section 1.1(b) (which initial request shall count as a request for purposes of this Section 1.1), each subsequent request by an Initiating Unitholder that the Partnership sell Registrable Securities from such Shelf Registration Statement (as such term is defined in part (b) of this Section 1.1) that

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is not made simultaneously with such initial request shall be counted as an additional request for purposes of this Section 1.1. Upon any such request (each, a “**Demand Request Notice**”), the Partnership will promptly, but in any event within 5 days, give written notice of such request to all holders of Registrable Securities and thereupon the Partnership will, subject to Section 1.4:

(i) use its best efforts to effect the prompt registration under the Securities Act of

(A) the Registrable Securities which the Partnership has been so requested to register by the Initiating Unitholder, and

(B) all other Registrable Securities which the Partnership has been requested to register by the holders thereof by written request given to the Partnership by such holders within 30 days after the giving of such written notice by the Partnership to such holders (or, 15 days if, at the request of the Initiating Unitholder, the Partnership states in such written notice or gives telephonic notice to each holder of Registrable Securities, with written confirmation to follow promptly thereafter, stating that (i) such registration will be on Form S-3 and (ii) such shorter period of time is required because of a planned filing date),

all to the extent required to permit the disposition of the Registrable Securities so to be registered in accordance with the intended method or methods of disposition of the Initiating Unitholder and any “**Participating Unitholders**,” which term shall refer to any Unitholder that exercises its right to participate in the registration initiated by the Initiating Unitholder, which intended method or methods of distribution may include, at the option of the Initiating Unitholder or the Participating Unitholders, as applicable, a distribution of such Registrable Securities to, and resale of such Registrable Securities by, the partners of the equity owners of such Unitholder or Unitholders (a “**Partner Distribution**”); and

(ii) if requested by the Initiating Unitholder or any Participating Unitholders, as applicable, obtain acceleration of the effective date of the registration statement relating to such registration. Notwithstanding anything contained herein to the contrary, the Partnership shall, at the request of any Initiating Unitholder or any Participating Unitholders, as applicable, seeking to effect a Partner Distribution, file any prospectus supplement or post-effective amendments and shall otherwise take any action necessary to include such language, if such language was not included in the initial registration statement, or revise such language if deemed necessary by such Unitholder or Unitholders, to effect such Partner Distribution.



(b) **Shelf Registration.** The right of each of the Special General Partner and the Organizational Limited Partner to request a registration of Registrable Securities pursuant to **Section 1.1(a)** shall include the right from and after the first anniversary of the Initial Public Offering to request that the Partnership file a registration statement to permit the requesting holder to sell Registrable Securities on a delayed or continuous basis pursuant to Rule 415 under the Securities Act (or any similar rule that may be adopted by the Commission) in accordance with the intended method or methods of disposition by such requesting holder (a "**Shelf Registration Statement**"). Notwithstanding anything to the contrary herein,

(i) upon any Shelf Registration Statement having been declared effective, the Partnership shall use reasonable best efforts to keep such Shelf Registration Statement continuously effective in order to permit the prospectus included therein to be usable by the holders of Registrable Securities until the earlier of (x) such time as all Registrable Securities that could be sold under such Shelf Registration Statement have been sold or are no longer outstanding; (y) two years from the date of effectiveness; and (z) the date that each Unitholder can sell all Registrable Securities Beneficially Owned by it in accordance with Rule 144(k) under the Securities Act;

(ii) if at any time following the effectiveness of any Shelf Registration Statement either the Special General Partner or the Organizational Limited Partner, as the case may be, desires to sell Registrable Securities pursuant thereto, the Special General Partner or the Organizational Limited Partner, as the case may be, shall notify the Partnership of such intent at least ten Business Days prior to any such sale (any such proposed transaction, a "**Take-down Transaction**"), and the Partnership thereupon shall prepare and file within ten Business Days after receipt of such notice a prospectus supplement or post-effective amendment to the Shelf Registration Statement, as necessary, to permit the consummation of such Take-down Transaction;

(iii) upon receipt of notice from the Special General Partner or the Organizational Limited Partner, as the case may be, regarding a Take-down Transaction as provided in clause (ii) of this **Section 1.1(b)**, the Partnership shall immediately deliver notice to any other holders of Registrable Securities whose Registrable Securities have been included in such Shelf Registration Statement and shall permit such holders to participate in such Take-down Transaction (subject to **Section 1.4**), it being understood, for the avoidance of doubt, that no holder other than the Special General Partner or the Organizational Limited Partner shall have the right to initiate a Take-down Transaction;

(iv) each holder who participates in a Take-down Transaction shall be deemed through such participation to have represented to the

Partnership that any information previously supplied by such holder to the Partnership in writing for inclusion in the Shelf Registration Statement, unless modified by such holder by written notice to the Partnership, remains accurate as of the date of the prospectus supplement or amendment to the Shelf Registration Statement, as applicable; and

(v) if the continued use of such Shelf Registration Statement at any time would require the Partnership to make any public disclosure of material, non-public information, disclosure of which, in the Managing General Partner's Board of Director's good faith judgment, after consultation with independent outside counsel to the Partnership, (i) would be required to be made in any registration statement filed with the Commission by the Partnership so that such registration statement would not be materially misleading and (ii) would not be required to be made at such time but for the filing of such registration statement; and the Partnership has a bona fide business purpose for not disclosing such information publicly, the Partnership may, upon giving prompt written notice of such action to the holders of Registrable Securities, suspend use of the Shelf Registration Statement (a "Shelf Suspension"); provided, however, that the Partnership shall not be permitted to exercise a Shelf Suspension (x) more than once during any 12 month period or (y) for a period exceeding 45 days on any one occasion. In the case of a Shelf Suspension, the holders of Registrable Securities agree to suspend use of the applicable prospectus in connection with any sale or purchase of, or offer to sell or purchase, Registrable Securities, upon receipt of the notice referred to above. Upon the written request of either the Initiating Unitholder or the Participating Unitholders, the Partnership shall provide such holder of Registrable Securities in writing with a general statement of the reasons for such postponement and an approximation of the anticipated delay. The Partnership shall immediately notify the holders of Registrable Securities upon the termination of any Shelf Suspension, amend or supplement the prospectus, if necessary, so it does not contain any untrue statement of a material fact or omission and furnish to the holders of Registrable Securities such numbers of copies of the prospectus as so amended or supplemented as such holders may reasonably request. The Partnership agrees, if necessary, to supplement or make amendments to the Shelf Registration Statement, if required by the registration form used by the Partnership for the shelf registration or by the instructions applicable to such registration form or by the Securities Act or as may reasonably be requested by the Majority Holders.

1.2. Registration Statement Form. A registration requested pursuant to Section 1.1 shall be effected by the filing of a registration statement on a form of the Commission (i) selected by the Majority Holders, which form shall be reasonably acceptable to the Partnership; provided that the Partnership agrees that, at the request of the Initiating Unitholder, at such time as the Partnership becomes a "well-known seasoned issuer," as such term is defined

in Rule 405 under the Securities Act, the Partnership will register an offering pursuant to Section 1.1 on an “automatic shelf registration statement,” as such term is defined in Rule 405 under the Securities Act; provided, that the Partnership is advised by independent outside counsel that filing an “automatic shelf registration statement” for registration of the Registrable Securities will not cause the Partnership to be an “ineligible issuer,” as such term is defined in Rule 405 under the Securities Act and (ii) which shall permit the disposition of Registrable Securities in accordance with the intended method or methods of disposition specified in such request for registration, including, without limitation, a Partner Distribution or, as provided above, a continuous or delayed basis offering pursuant to Rule 415 under the Securities Act. The Partnership agrees to include in any such registration statement all information which, in the opinion of counsel to the Initiating Unitholder, counsel to any Participating Unitholder and counsel to the Partnership, is necessary or desirable to be included therein.

1.3. Expenses. The Partnership shall pay, and shall be responsible for, all Registration Expenses in connection with any registration requested under Section 1.1; provided that each seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any, in respect of the Registrable Securities being registered for such seller.

1.4. Effective Registration Statement. A registration requested pursuant to Section 1.1 shall not be deemed a Demand Registration (including for purposes of Section 1.1(a)) unless a registration statement with respect thereto has become effective and has been kept continuously effective for a period of at least 180 days (or such shorter period which shall terminate when all the Registrable Securities covered by such registration statement have been sold pursuant thereto) or, if such registration statement relates to an underwritten offering, such longer period as in the opinion of counsel for the underwriter or underwriters a prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer. Should a Demand Registration not become effective due to the failure of a holder of Registrable Securities participating in such offering of Registrable Securities (a “**Participating Holder**”) to perform its obligations under this Agreement, or in the event the Initiating Unitholder withdraws or does not pursue its request for the Demand Registration as provided for in Section 1.6 below (in each of the foregoing cases, provided that at such time the Partnership is in compliance in all material respects with its obligations under this Agreement), then, such Demand Registration shall be deemed to have been effected (including for purposes of Section 1.1(a)); provided, that, if (i) the Demand Registration does not become effective because a material adverse change has occurred, or is reasonably likely to occur, in the condition (financial or otherwise), prospects, business, assets or results of operations of the Partnership and its subsidiaries taken as a whole subsequent to the date of the delivery of the Demand Request Notice, (ii) after the Demand Registration has become effective, such registration is interfered with by any stop order, injunction, or other order or requirement of the Commission or other governmental agency or court, (iii) the Demand Registration is withdrawn at the request of the Initiating Unitholder due to the advice of the managing underwriter(s) that the Registrable Securities covered by the registration statement could not be sold in such offering within a price range acceptable to the Initiating Unitholder, or (iv) the Initiating Unitholder reimburses the Partnership for any and all Registration Expenses incurred by the Partnership in connection with such request for a Demand

Registration that was withdrawn or not pursued, then the Demand Registration shall not be deemed to have been effected and will not count as a Demand Registration.

1.5. Right to Withdraw. Any Participating Holder shall have the right to withdraw its request for inclusion of Registrable Securities in any registration statement pursuant to Section 1.1 at any time prior to the effective date of such registration statement by giving written notice to the Partnership of its request to withdraw. Upon receipt of notices from all Participating Holders to such effect, the Partnership shall cease all efforts to obtain effectiveness of the applicable registration statement, and whether the Initiating Unitholder's request for registration pursuant to Section 1.1 shall be counted as a Demand Registration for purposes of Section 1.6 shall be determined in accordance with Section 1.4 above.

1.6. Priority in Demand Registrations. Whenever the Partnership effects a registration pursuant to Section 1.1 in connection with an underwritten offering, no securities other than Registrable Securities shall be included among the securities covered by such registration unless the Majority Holders consent in writing to the inclusion therein of such other securities, which consent may be subject to terms and conditions determined by the Majority Holders in their sole discretion. If a registration pursuant to Section 1.1 involves an underwritten offering, and the managing underwriter (or, in the case of an offering which is not underwritten, a nationally recognized investment banking firm) shall advise the Partnership in writing (with a copy to each Person requesting registration of Registrable Securities) that, in its opinion, the number of securities requested, and otherwise proposed to be included in such registration, exceeds the number which can be sold in such offering without materially and adversely affecting the offering price, the Partnership shall include in such registration, to the extent of the number which the Partnership is so advised can be sold in such offering without such material adverse effect, first, the Registrable Securities of the Initiating Unitholder and the Participating Unitholders requesting inclusion in such registration, on a *pro rata* basis (based on the number of shares of Registrable Securities owned by each such Unitholder), and second, the securities, if any, being sold by the Partnership. In the event of any such determination under this Section 1.4, the Partnership shall give the affected holders of Registrable Securities notice of such determination and in lieu of the notice otherwise required under Section 1.1.

Section 2. Incidental Registrations. If the Partnership at any time proposes to register any of its equity securities under the Securities Act (other than a registration on Form S-4 or S-8 or any successor form or a an "automatic shelf registration statement" on Form S-3 if the Partnership would otherwise qualify as a "WKSI" and has been is advised by independent outside counsel that filing an "automatic shelf registration statement" for registration of the Registrable Securities would cause the Partnership to be an "ineligible issuer," as such term is defined in Rule 405 under the Securities Act) whether or not for sale for its own account, then the Partnership shall give prompt written notice (but in no event less than 30 days prior to the initial filing with respect thereto) to all holders of Registrable Securities regarding such proposed registration. Upon the written request of any such holder made within 15 days after the receipt of any such notice (which request shall specify the number of Registrable Securities intended to be disposed of by such holder and the intended method or methods of disposition thereof), the Partnership shall use its best efforts to effect the registration under the Securities Act of such

Registrable Securities on a *pro rata* basis in accordance with such intended method or methods of disposition; provided that:

(a) the Partnership shall not include Registrable Securities in such proposed registration to the extent that the Managing General Partner's Board of Directors shall have determined, after consultation with the managing underwriter for such offering, that it would materially and adversely affect the offering price to include any Registrable Securities in such registration and provided, further, that the Partnership shall give the affected holders of Registrable Securities notice of such determination and in lieu of the notice otherwise required by the first sentence of this Section 2;

(b) if, at any time after giving written notice (pursuant to this Section 2) of its intention to register equity securities and prior to the effective date of the registration statement filed in connection with such registration, the Partnership shall determine for any reason not to register such equity securities, the Partnership may, at its election, give written notice of such determination to each holder of Registrable Securities and, thereupon, shall not be obligated to register any Registrable Securities in connection with such registration (but shall nevertheless pay the Registration Expenses in connection therewith), without prejudice, however, to the rights of the Special General Partner and the Organizational Limited Partner that a registration be effected under Section 1.1; and

(c) if in connection with a registration pursuant to this Section 2, the managing underwriter of such registration (or, in the case of an offering that is not underwritten, a nationally recognized investment banking firm) shall advise the Partnership in writing (with a copy to each holder of Registrable Securities requesting registration thereof) that the number of securities requested and otherwise proposed to be included in such registration exceeds the number which can be sold in such offering without materially and adversely affecting the offering price of the securities being sold in such registration, then in the case of any registration pursuant to this Section 2, the Partnership shall include in such registration to the extent of the number which the Partnership is so advised can be sold in such offering without such material adverse effect, first, the securities, if any, being sold by the Partnership, and second, the Registrable Securities of the Unitholders requesting inclusion in such registration and Partnership Securities of other Persons who have been granted registration rights or are granted registration rights on or after the date of this Agreement, to the extent such other Persons have been granted registration rights that are *pari passu* to the rights of the Unitholders hereunder, on a *pro rata* basis (based on the number of shares of Registrable Securities owned by each such Unitholder and the number Partnership Securities of any such other Persons).

The Partnership shall pay all Registration Expenses in connection with each registration of Registrable Securities requested pursuant to this Section 2; provided that each

seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any, in respect of the Registrable Securities being registered for such seller. No registration effected under this Section 2 shall relieve the Partnership from its obligation to effect registrations under Section 1.1.

Section 3. Registration Procedures. If and whenever the Partnership is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to Sections 1.1 or 2, the Partnership shall promptly:

(a) prepare, and as soon as practicable, but in any event within 30 days thereafter, file with the Commission, a registration statement with respect to such Registrable Securities, make all required filings with the NASD and use its best efforts to cause such registration statement to become and remain effective as soon as practicable;

(b) prepare and promptly file with the Commission such amendments and post-effective amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for so long as is required to comply with the provisions of the Securities Act and to complete the disposition of all securities covered by such registration statement in accordance with the intended method or methods of disposition thereof, but in no event for a period of more than six months after such registration statement becomes effective (except as provided in Section 1.1(b)(i));

(c) furnish copies of all documents proposed to be filed with the Commission in connection with such registration to (i) counsel selected by the Initiating Unitholder and counsel selected by any Participating Unitholders either of which counsel may also be counsel to the Partnership, and (ii) each seller of Registrable Securities (or in the case of the initial filing of a registration statement, within five business days of such initial filing) and such documents shall be subject to the review of such counsel; provided that the Partnership shall not file any registration statement or any amendment or post-effective amendment or supplement to such registration statement or the prospectus used in connection therewith or any free writing prospectus related thereto to which such counsel shall have reasonably objected on the grounds that such registration statement amendment, supplement or prospectus or free writing prospectus does not comply (explaining why) in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder;

(d) furnish to each seller of Registrable Securities, without charge, such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits and documents filed therewith) and such number of copies of the prospectus included in such registration statement (including each preliminary prospectus and any

summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, each free writing prospectus utilized in connection therewith, and such other documents, as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller in accordance with the intended method or methods of disposition thereof;

(e) use its best efforts to register or qualify such Registrable Securities and other securities covered by such registration statement under the securities or blue sky laws of such jurisdictions as each seller shall reasonably request, and do any and all other acts and things which may be necessary or advisable to enable such seller to consummate the disposition of such Registrable Securities in such jurisdictions in accordance with the intended method or methods of disposition thereof; provided that the Partnership shall not for any such purpose be required to qualify generally to do business in any jurisdiction wherein it is not so qualified, subject itself to taxation in any jurisdiction wherein it is not so subject, or take any action which would subject it to general service of process in any jurisdiction wherein it is not so subject;

(f) use its best efforts to cause all Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary by virtue of the business and operations of the Partnership to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(g) furnish to the Initiating Unitholder and any Participating Unitholders:

(i) an opinion of counsel for the Partnership experienced in securities law matters, dated the effective date of the registration statement (and, if such registration includes an underwritten public offering, the date of the closing under the underwriting agreement), and

(ii) a "comfort" letter (unless the registration is pursuant to Section 2 and such a letter is not otherwise being furnished to the Partnership), dated the effective date of such registration statement (and if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), signed by the independent public accountants who have issued an audit report on the Partnership's financial statements included in the registration statement,

covering such matters as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to the underwriters in underwritten public offerings of securities and such other matters as the Initiating Unitholder and any Participating Unitholders may reasonably request;

(h) promptly notify each seller of any Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event or existence of any fact as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and, as promptly as is practicable, prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include 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 not misleading in light of the circumstances then existing;

(i) otherwise comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable and in any event within 16 months after the effective date of the registration statement, an earnings statement of the Partnership (in form complying with the provisions of Rule 158 under the Securities Act) covering the period of at least 12 months, but not more than 18 consecutive months, beginning with the first full calendar month after the effective date of such registration statement;

(j) notify each seller of any Registrable Securities covered by such registration statement (i) when the prospectus or any prospectus supplement or post-effective amendment or any free writing prospectus has been filed and/or used, and, with respect to such registration statement or any post-effective amendment, when the same has become effective, (ii) of the receipt by the Partnership of any comments from the Commission or of any request by the Commission for amendments or supplements to such registration statement or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose and (iv) of the suspension of the qualification of such securities for offering or sale in any jurisdiction, or of the institution of any proceedings for any of such purposes;

(k) use every reasonable effort to obtain the lifting of any stop order that might be issued suspending the effectiveness of such registration statement at the earliest possible moment;

(l) use its best efforts (i) (A) to list such Registrable Securities on any securities exchange on which the equity securities of the Partnership are then listed or, if no such equity securities are then listed, on an exchange selected by the Partnership, if such listing is then permitted under the rules of such exchange,



or (B) if such listing is not practicable, to secure designation of such securities as a NASDAQ "national market system security" within the meaning of Rule 11Aa2-1 under the Exchange Act or, failing that, to secure NASDAQ authorization for such Registrable Securities, and, without limiting the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD, and (ii) to provide a transfer agent and registrar for such Registrable Securities not later than the effective date of such registration statement and to instruct such transfer agent (A) to release any stop transfer order with respect to the certificates with respect to the Registrable Securities being sold and (B) to furnish certificates without restrictive legends (other than those that apply generally to all Partnership Securities) representing ownership of the shares being sold, in such denominations requested by the sellers of the Registrable Securities or the lead underwriter;

(m) enter into such agreements and take such other actions as the sellers of Registrable Securities or the underwriters reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including, without limitation, preparing for, and participating in, such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition;

(n) furnish to any holder of such Registrable Securities such information and assistance as such holder may reasonably request in connection with any "due diligence" effort which such seller deems appropriate;

(o) cooperate with each seller of Registrable Securities and each underwriter and their respective counsel in connection with any filings required to be made with the NASD, New York Stock Exchange, or any other securities exchange on which such Registrable Securities are traded or will be traded;

(p) cooperate with the sellers of the Registrable Securities and the managing underwriter to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends (other than those that apply generally to all Partnership Securities) representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Majority Holders at least five business days prior to any sale of Registrable Securities and instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(q) cause its officers and employees to participate in, and to otherwise facilitate and cooperate with the preparation of the registration statement and prospectus and any amendments or supplements thereto (including participating

in meetings, drafting sessions and due diligence sessions) taking into account the Partnership's business needs;

(r) use its best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby;

(s) take all reasonable action to ensure that any free writing prospectus utilized in connection with any registration covered by this agreement complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, prospectus supplement and related documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(t) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the Commission such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

To the extent the Partnership is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (a "WKSI") at the time any Demand Request Notice is submitted to the Partnership, and such Demand Request Notice requests that the Partnership file an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an "automatic shelf registration statement") on Form S-3 and the Partnership has been advised by independent outside counsel that filing an "automatic shelf registration statement" for registration of the Registrable Securities will not cause the Partnership to be an "ineligible issuer," as such term is defined in Rule 405 under the Securities Act, the Partnership shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Partnership shall use its commercially reasonable best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which such automatic shelf registration statement is required to remain effective. If the Partnership does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Partnership agrees to pay such fee at such time or times as the Registrable Securities are to be sold. If the automatic shelf registration statement has been outstanding for at least three years, at the end of the third year the Partnership shall refile a new automatic shelf registration statement covering the Registrable Securities. If at any time when the Partnership is required to re-evaluate its WKSI status the Partnership determines that it is not a WKSI, the Partnership shall use its commercially reasonable best efforts to refile the shelf registration statement on Form S-3 and, if such form is

not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Partnership files any shelf registration statement for the benefit of the holders of any of its securities other than the Unitholders, the Partnership agrees that it shall give prior written notice to each Unitholder and, upon request of any Unitholder, include in such registration statement such disclosures as may be required by Rule 430B (referring to the unnamed selling security holders in a generic manner by identifying the initial issuance and sale of the securities to the Unitholders) in order to ensure that the requesting Unitholder may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

As a condition to its registration of Registrable Securities of any prospective seller, the Partnership may require such seller of any Registrable Securities as to which any registration is being effected to execute powers-of-attorney, custody arrangements and other customary agreements appropriate to facilitate the offering and to furnish to the Partnership such information regarding such seller, its ownership of Registrable Securities and the disposition of such Registrable Securities as the Partnership may from time to time reasonably request in writing and as shall be required by law in connection therewith. Each such holder agrees to furnish promptly to the Partnership all information required to be disclosed in such registration statement in order to make the information previously furnished to the Partnership by such holder and disclosed in such registration statement not materially misleading.

The Partnership agrees not to file or make any amendment to any registration statement with respect to any Registrable Securities, or any amendment of or supplement to the prospectus used in connection therewith, which refers to any holder of Registrable Securities, or otherwise identifies any holder of Registrable Securities as the holder of any Registrable Securities, without the prior consent of such holder, such consent not to be unreasonably withheld or delayed, unless such disclosure is required by law. Notwithstanding the foregoing, if any such registration statement or comparable statement under "blue sky" laws refers to any holder of Registrable Securities by name or otherwise as the holder of any securities of the Partnership, then such holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such holder and the Partnership, to the effect that the holding by such holder of such Registrable Securities is not to be construed as a recommendation by such holder of the investment quality of the Partnership's securities covered thereby and that such holding does not imply that such holder will assist in meeting any future financial requirements of the Partnership, or (ii) in the event that such reference to such holder by name or otherwise is not in the judgment of the Partnership, as advised by counsel, required by the Securities Act or any similar federal statute or any state "blue sky" or securities law then in force, the deletion of the reference to such holder.

By acquisition of Registrable Securities, each holder of such Registrable Securities shall be deemed to have agreed that upon receipt of any notice from the Partnership of the happening of any event of the kind described in Section 3(b), such holder will promptly discontinue such holder's disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such holder's receipt of the copies of the

supplemented or amended prospectus contemplated by [Section 3\(h\)](#). If so directed by the Partnership, each holder of Registrable Securities will deliver to the Partnership (at the Partnership's expense) all copies, other than permanent file copies, in such holder's possession of the prospectus covering such Registrable Securities at the time of receipt of such notice. In the event that the Partnership shall give any such notice, the period mentioned in [Section 3\(a\)](#) shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of any Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by [Section 3\(h\)](#).

#### Section 4. Underwritten Offerings.

4.1. **Underwriting Agreement.** If requested by the underwriters for any underwritten offering pursuant to a registration requested under Section 1.1 or 2, the Partnership shall enter into an underwriting agreement with the underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the underwriters and to any Unitholder participating in such registration. Any such underwriting agreement shall contain such representations and warranties by, and such other agreements on the part of, the Partnership and such other terms and provisions as are customarily contained in agreements of this type, including, without limitation, indemnities to the effect and to the extent provided in Section 8. Each Unitholder and each other holder of Registrable Securities to be distributed by such underwriter shall be a party to such underwriting agreement and may, at such holder's option, require that any or all of the representations and warranties by, and the agreements on the part of, the Partnership to and for the benefit of such underwriters be made to and for the benefit of such holder of Registrable Securities and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement shall also be conditions precedent to the obligations of such holder of Registrable Securities. The Unitholders in their capacities as Partners and/or controlling persons shall not be required by any underwriting agreement to make any representations or warranties to or agreements with the Partnership or the underwriters other than representations, warranties or agreements regarding such holder, the ownership of such holder's Registrable Securities and such holder's intended method or methods of disposition and any other representation required by law or to furnish any indemnity to any Person which is broader than the indemnity furnished by such holder pursuant to Section 8.2.

4.2. **Selection of Underwriters.** If the Partnership at any time proposes to register any of its securities under the Securities Act for sale for its own account pursuant to an underwritten offering, the Partnership will have the right to select the managing underwriter (which shall be of nationally recognized standing) to administer the offering. Notwithstanding the foregoing sentence, whenever a registration requested pursuant to Section 1.1 is for an underwritten offering, the Initiating Unitholder will have the right to select the managing underwriter (which shall be of nationally recognized standing and reasonably acceptable to any Participating Unitholders) to administer the offering, but only with the approval of the Partnership, such approval not to be unreasonably withheld. In connection with an underwritten registered offering pursuant to Section 1.1, if Goldman, Sachs & Co. acts as a managing underwriter in any such registered offering, to the extent required by applicable law, the Partnership shall retain a Qualified Independent Underwriter reasonably acceptable to Goldman, Sachs & Co., and the

Partnership shall pay all fees and expenses (other than underwriting discounts and commissions) of such Qualified Independent Underwriter.

Section 5. Holdback Agreements.

(a) If and whenever the Partnership proposes to register any of its equity securities under the Securities Act for its own account (other than on Form S-4 or S-8 or any successor form) or is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to Section 1.1 or 2, each holder of Registrable Securities agrees by acquisition of such Registrable Securities not to effect any offer, sale or distribution, including any sale pursuant to Rule 144 under the Securities Act, or to request registration under Section 1.1 of any Registrable Securities within seven days prior to the reasonably expected effective date of the contemplated registration statement and during the period beginning on the effective date of the registration statement relating to such registration (the "Trigger Date") and until 90 days (unless advised by the managing underwriter that a longer period, not to exceed 180 days, is required, or such shorter period as the managing underwriter for any underwritten offering may agree) after the Trigger Date, except as part of such registration or unless, in the case of a sale or distribution not involving a public offering, the transferee agrees in writing to be subject to this Section 5, even if such Registrable Securities cease to be Registrable Securities upon such transfer. If requested by such managing underwriter, each holder of Registrable Securities agrees to execute an agreement to such effect with the Partnership and consistent with such managing underwriter's customary form of holdback agreement.

(b) The Partnership agrees not to effect any public offer, sale or distribution of its equity securities or securities convertible into or exchangeable or exercisable for any of such securities within seven days prior to the reasonably expected effective date of the contemplated registration statement and during the period beginning on the Trigger Date and until 90 days (or such longer period, not to exceed 180 days, which may be required by the managing underwriter, or such shorter period as the managing underwriter may agree) after the Trigger Date with respect to any registration statement filed pursuant to Section 1.1 (except (i) as part of such registration, (ii) as permitted by any related underwriting agreement, (iii) pursuant to an employee equity compensation plan, or (iv) pursuant to an acquisition or strategic relationship or similar transaction or (v) pursuant to a registration on Form S-4 or S-8 or any successor form). In addition, if, and to the extent requested by the managing underwriter, the Partnership shall use its best efforts to cause each holder (other than any holder already subject to Section 5(a)) of its equity securities or any securities convertible into or exchangeable or exercisable for any of such securities, whether outstanding on the date of this Agreement or issued at any time after the date of this Agreement (other than any such securities acquired in a public offering), to agree not to effect any such public offer, sale or distribution of such securities during such period, except as part of any such registration if permitted, and to cause each such holder to enter

into an agreement to such effect with the Partnership and consistent with such managing underwriter's customary form of holdback agreement.

Section 6. Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement registering Registrable Securities under the Securities Act, the Partnership shall give counsel to the holders of such Registrable Securities so to be registered, the managing underwriter(s), and their respective counsel, accountants and other representatives and agents the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and shall give each of the foregoing parties access to the financial and other records, pertinent corporate documents and properties of the Partnership and its subsidiaries and opportunities to discuss the business of the Partnership with its officers and the independent public accountants who have issued audit reports on its financial statements in each case as shall be reasonably requested by each of the foregoing parties in connection with such registration statement.

Section 7. Reserved.

Section 8. Indemnification.

Section 1. 8.1. Indemnification by the Partnership. The Partnership agrees that in the event of any registration of any Registrable Securities pursuant to this Agreement, the Partnership shall indemnify, defend and hold harmless (a) each holder of Registrable Securities, (b) the Affiliates of such holder and the respective directors, members, stockholders, officers, partners, employees, advisors, representatives, agents of such holder and its Affiliates, (c) each Person who participates as an underwriter or Qualified Independent Underwriter in the offering or sale of such securities and (d) each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any of the foregoing against any and all losses, penalties, fines, liens, judgments, claims, damages or liabilities (or actions or proceedings in respect thereof) and expenses (including reasonable fees of counsel and any amounts paid in settlement effected with the Partnership's consent, which consent shall not be unreasonably withheld or delayed if such settlement is solely with respect to monetary damages), jointly or severally, directly or indirectly, based upon or arising out of (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Registrable Securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein or used in connection with the offering of securities covered thereby, or any amendment or supplement thereto, or any documents incorporated by reference therein, or any "free writing prospectus," as such term is defined in Rule 405 under the Securities Act, utilized in connection with any related offering, (ii) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading or (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein; and the Partnership will reimburse each such indemnified party for any legal or any other expenses reasonably incurred by them in connection with enforcing its rights hereunder or under the underwriting agreement entered into in connection with such offering or

investigating, preparing, pursuing or defending any such loss, claim, damage, liability, action or proceeding as such expenses are incurred, except insofar as any such loss, penalty, fine, lien, judgment, claim, damage, liability, action, proceeding or expense arises out of or is based upon an untrue statement of a material fact or omission of a material fact made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement, document incorporated by reference therein or "free writing prospectus" utilized in connection with any related offering in reliance upon and in conformity with written information furnished to the Partnership by such holder expressly for use in the preparation thereof in accordance with the second sentence of Section 8.2. Such indemnity shall remain in full force and effect, regardless of any investigation made by such indemnified party and shall survive the transfer of such Registrable Securities by such seller.

8.2. Indemnification by the Sellers. The Partnership may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 1.1 or 2, that the Partnership shall have received an undertaking satisfactory to it from each of the prospective sellers of such Registrable Securities to indemnify and hold harmless, severally, not jointly, in the same manner and to the same extent as set forth in Section 8.1, the Partnership, the Managing General Partner, the Managing General Partners' directors, officers, employees, agents and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Partnership, with respect to any statement of a material fact or alleged statement of a material fact in or omission of a material fact or alleged omission of a material fact from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or any "free writing prospectus" utilized in connection with any related offering, but only to the extent such statement or alleged statement or such omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Partnership by such seller expressly for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement or free writing prospectus. The Partnership and the holders of the Registrable Securities in their capacities as stockholders and/or controlling persons hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such holders, the only information furnished or to be furnished to the Partnership for use in any registration statement or prospectus relating to the Registrable Securities or in any amendment, supplement or preliminary materials associated therewith or any free writing prospectus related thereto are statements specifically relating to (a) transactions between such holder and its Affiliates, on the one hand, and the Partnership, on the other hand, (b) the beneficial ownership of Partnership Securities by such holder and its Affiliates and (c) the name and address of such holder. If any additional information about such holder or the plan of distribution (other than for an underwritten offering) is required by law to be disclosed in any such document, then such holder shall not unreasonably withhold its agreement referred to in the immediately preceding sentence of this Section 8.2. Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Partnership or any such director, officer or controlling person and shall survive the transfer of such Registrable Securities by such seller. The indemnity agreement contained in this Section 8.2 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of such seller (which consent shall not be unreasonably withheld or delayed if such settlement is solely with respect to monetary damages). The

indemnity provided by each seller of Registrable Securities under this Section 8.2 shall be limited in amount to the net amount of proceeds (i.e., net of expenses, underwriting discounts and commissions) actually received by such seller from the sale of Registrable Securities pursuant to such registration statement.

8.3. **Notices of Claims, etc.** Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding paragraphs of this Section 8, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the indemnifying party of the commencement of such action or proceeding; provided that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 8, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, the indemnifying party shall be entitled to participate therein and to assume the defense thereof, jointly with any other indemnifying party similarly notified, to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof except for the reasonable fees and expenses of any counsel retained by such indemnified party to monitor such action or proceeding. Notwithstanding the foregoing, if such indemnified party reasonably determines, based upon advice of independent counsel, that a conflict of interest may exist between the indemnified party and the indemnifying party with respect to such action and that it is advisable for such indemnified party to be represented by separate counsel, such indemnified party may retain other counsel, reasonably satisfactory to the indemnifying party, to represent such indemnified party, and the indemnifying party shall pay all reasonable fees and expenses of such counsel. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of such indemnified party, which consent shall not be unreasonably withheld, consent to entry of any judgment or enter into any settlement unless such judgment, compromise or settlement (A) includes as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation, (B) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party, and (C) does not require any action other than the payment of money by the indemnifying party.

8.4. **Other Indemnification.** Indemnification similar to that specified in the preceding paragraphs of this Section 8 (with appropriate modifications) shall be given by the Partnership and each seller of Registrable Securities with respect to any required registration (other than under the Securities Act) or other qualification of such Registrable Securities under any federal or state law or regulation of any governmental authority.

8.5. **Indemnification Payments.** Any indemnification required to be made by an indemnifying party pursuant to this Section 8 shall be made by periodic payments to the indemnified party during the course of the action or proceeding, as and when bills are received by such indemnifying party with respect to an indemnifiable loss, penalty, fine, lien, judgment, claim, damage, liability or expense incurred by such indemnified party.



8.6. Other Remedies. If for any reason any indemnification specified in the preceding paragraphs of this Section 8 is unavailable, or is insufficient to hold harmless an indemnified party, other than by reason of the exceptions provided therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, penalties, fines, liens, judgments, claims, damages, liabilities, actions, proceedings or expenses in such proportion as is appropriate to reflect the relative benefits to and faults of the indemnifying party on the one hand and the indemnified party on the other and the statements or omissions or alleged statements or omissions which resulted in such loss, penalty, fine, lien, judgment, claim, damage, liability, action, proceeding or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statements or omissions. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 8.6 were to be determined by *pro rata* allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the preceding sentence of this Section 8.6. 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. Notwithstanding the other provisions of this Section 8, in respect of any claim for indemnification pursuant to this Section 8, no indemnifying party (other than the Partnership) shall be required to contribute pursuant to this Section 8.6 any amount in excess of (a) the net proceeds (i.e., net of expenses, underwriting discounts and commissions) received and retained by such indemnifying party from the sale of its Registrable Securities covered by the applicable registration statement, preliminary prospectus, final prospectus, or supplement or amendment thereto, filed pursuant hereto minus (b) any amounts previously paid by such indemnifying party pursuant to this Section 8 in respect of such claim, it being understood that insofar as such net proceeds have been distributed by any indemnifying party to its partners, stockholders or members, the amount of such indemnifying party's contribution hereunder shall be limited to the net proceeds which it actually recovers from its partners, stockholders or members based upon their relative fault and that to the extent that such indemnifying party has not distributed such net proceeds, the amount such indemnifying party's contribution hereunder shall be limited by the percentage of such net proceeds which corresponds to the percentage equity interests in such indemnifying party held by those of its partners, stockholders or members who have been determined to be at fault. No party shall be liable for contribution under this Section 8.6 except to the extent and under such circumstances as such party would have been liable for indemnification under this Section 8 if such indemnification were enforceable under applicable law.

Section 9. Representations and Warranties. Each Unitholder represents and warrants to the Partnership and each other Unitholder that:

(a) such Unitholder has the power, authority and capacity (or, in the case of any Unitholder that is a corporation, limited liability company or limited partnership, all corporate, limited liability company or limited partnership power

and authority, as the case may be) to execute, deliver and perform this Agreement;

(b) in the case of a Unitholder that is a corporation, limited liability company or limited partnership, the execution, delivery and performance of this Agreement by such Unitholder has been duly and validly authorized and approved by all necessary corporate, limited liability company or limited partnership action, as the case may be;

(c) this Agreement has been duly and validly executed and delivered by such Unitholder and constitutes a valid and legally binding obligation of such Unitholder, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors' rights generally and general principles of equity; and

(d) the execution, delivery and performance of this Agreement by such Unitholder does not and will not violate the terms of or result in the acceleration of any obligation under (i) any material contract, commitment or other material instrument to which such Unitholder is a party or by which such Unitholder is bound or (ii) in the case of a Unitholder that is a corporation, limited liability company or limited partnership, the certificate of incorporation, certificate of formation, certificate of limited partnership, by-laws, limited liability company agreement or limited partnership agreement, as the case may be.

Section 10. Definitions. Capitalized terms used herein without definition shall have the meanings given to them in the Partnership Agreement (as hereinafter defined). For purposes of this Agreement, the following terms shall have the following respective meanings:

“Affiliate”: a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

“Commission”: the Securities and Exchange Commission.

“Exchange Act”: the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

“Majority Holders”: the holders of at least 51% of the Registrable Securities that are participating in the registration at issue.

“Majority Voting Holders”: the holders of at least 51% of the Registrable Securities.

“NASD”: National Association of Securities Dealers, Inc.

“NASDAQ”: the Nasdaq National Market.

“Partnership Agreement” means the First Amended and Restated Agreement of Limited Partnership of CVR Partners, LP, dated as of the date hereof, as amended and/or restated from time to time.

“Person”: an individual, corporation, partnership, limited liability company, joint venture, business association, trust or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Registrable Securities”: the Common LP Units issuable to the Unitholder pursuant to Sections 5.6, 5.7 or 5.8 of the Partnership Agreement. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) a registration statement on Form S-8 with respect to the sale of such securities shall have become effective under the Securities Act, (iii) such securities shall have been sold to the public pursuant to Rule 144 under the Securities Act, or (iv) such securities shall have ceased to be outstanding. Any and all Common LP Units which may be issued in respect of, in exchange for, upon conversion of, or in substitution for any Registrable Securities, whether by reason of any stock split, stock dividend, reverse stock split, recapitalization, combination, merger, consolidation or otherwise, shall also be “Registrable Securities” hereunder.

“Registration Expenses”: all fees and expenses incurred in connection with the Partnership’s performance of or compliance with any registration pursuant to this Agreement, including, without limitation, (i) registration, filing and applicable Commission and NASD fees, (ii) fees and expenses of complying with securities or blue sky laws, (iii) fees and expenses associated with listing securities on an exchange or NASDAQ, (iv) word processing, duplicating and printing expenses, (v) messenger and delivery expenses, (vi) transfer agents’, trustees’, depositories’, registrars’ and fiscal agents’ fees, (vii) fees and disbursements of counsel for the Partnership and of its independent public accountants, including the expenses of any special audits or “cold comfort” letters required by, or incident to, such registration, (viii) reasonable fees and disbursements of any one counsel retained by the Initiating Unitholder and any one counsel retained by the Participating Unitholders, and (ix) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding underwriting discounts and commissions and transfer taxes, if any.

“Securities Act”: the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

#### Section 11. Miscellaneous.

11.1. Rule 144, etc. If the Partnership shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act relating to any class of equity securities, the Partnership shall file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder, and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from

time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such rule may be amended from time to time, or (b) any successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities, the Partnership shall deliver to such holder a written statement as to whether it has complied with such requirements, a copy of the most recent annual or quarterly report of the Partnership, and such other reports and documents as such holder may reasonably request in order to avail itself of any rule or regulation of the Commission allowing it to sell any Registrable Securities without registration.

11.2. Successors, Assigns and Transferees. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective permitted successors, personal representatives and assigns under this Section 11.2. The Partnership may not assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the Majority Voting Holders. The provisions of this Agreement which are for the benefit of a holder of Registrable Securities shall be for the benefit of and enforceable by any transferee of such Registrable Securities. Any holder of Registrable Securities may, at its election and at any time or from time to time, assign its rights under this Agreement, in whole or in part, to any Person to whom such holder sells, assigns or otherwise transfers its shares of Registrable Securities; provided that (i) such transferee acquires such Registrable Securities in accordance with any then applicable transfer restrictions in respect of such Registrable Securities, (ii) no such assignment shall be binding upon or obligate the Partnership to any such transferee unless and until such transferee executes a joinder agreement agreeing to be bound by all of the transferor's obligations hereunder, including, without limitation, Section 5 hereof, copies of which shall have been delivered to the Partnership (each such transferee, a "**Permitted Transferee**") and (iii) the rights of the Special General Partner and the Organizational Limited Partner to make a Demand Registration pursuant to Section 1.1 may only be assigned as a whole and not in part (and otherwise in accordance with the other provisions of this proviso).

11.3. Splits, etc. Each holder of Registrable Securities agrees that it will vote to effect a split, reverse split, recapitalization or combination with respect to any Registrable Securities in connection with any registration of any Registrable Securities hereunder, or otherwise, if (i) the managing underwriter shall advise the Partnership in writing (or, in connection with an offering that is not underwritten, if an investment banker shall advise the Partnership in writing) that in its opinion such a split, reverse split, recapitalization or combination would facilitate or increase the likelihood of success of the offering, and (ii) such split, reverse split, recapitalization or combination does not impact the respective Percentage Interests of each such holder of Registrable Securities in the Partnership. The Partnership shall cooperate in all respects in effecting any such split, stock split, recapitalization or combination.

11.4. Amendment and Modification. This Agreement may be amended, waived, modified or supplemented by the Partnership only with the prior written consent of each of the Special General Partner and the Organizational Limited Partner and a majority (by number of shares) of any other holders of Registrable Securities whose interests would be adversely affected by such amendment, waiver modification or supplement; provided that the interests of any existing holders of Registrable Securities shall not be adversely affected by an amendment,

waiver, modification or settlement of this Agreement that provides for or has the effect of providing for an additional grant of incidental registration rights with a lower or the same priority as the rights held by such existing holders of Registrable Securities, as long as any such grant of incidental registration rights with the same priority are *pari passu* with those held by such existing holders of Registrable Securities. Each holder of Registrable Securities shall be bound by any such amendment, waiver, modification or supplement authorized in accordance with this Section 11.4, whether or not such Registrable Securities shall have been marked to indicate such amendment, waiver, modification or supplement. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The execution of a counterpart signature page to this Agreement by a Permitted Transferee pursuant to Section 11.2 shall not require consent of any party hereto and shall not be deemed an amendment to this Agreement.

11.5. Governing Law; Venue and Service of Process. This Agreement and the rights and obligations of the parties hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of Delaware, without giving effect to the choice of law principles thereof. By execution and delivery of this Agreement, each of the parties hereto hereby irrevocably and unconditionally (i) consents to submit to the exclusive jurisdiction of the courts of the State of New York in New York County and the United States District Court for the Southern District of New York (collectively, the “**Selected Courts**”) for any action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby, and agrees not to commence any action or proceeding relating thereto except in the Selected Courts, provided, that, a party may commence any action or proceeding in a court other than a Selected Court solely for the purpose of enforcing an order or judgment issued by one of the Selected Courts; (ii) consents to service of any process, summons, notice or document in any action or proceeding by registered first-class mail, postage prepaid, return receipt requested or by nationally recognized courier guaranteeing overnight delivery in accordance with Section 11.8 hereof and agrees that such service of process shall be effective service of process for any action or proceeding brought against it in any such court, provided, that, nothing herein shall affect the right of any party hereto to serve process in any other manner permitted by law; (iii) waives any objection to the laying of venue of any action or proceeding arising out of this Agreement or the transactions contemplated hereby in the Selected Courts; and (iv) waives and agrees not to plead or claim in any court that any such action or proceeding brought in any such Selected Court has been brought in an inconvenient forum.

11.6. Invalidity of Provision. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

11.7. Reserved. All notices, requests, demands, letters, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows:

(i) If to the Partnership, to it at:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

(ii) If to the Special General Partner, to it at:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

(iii) If to the Organizational Limited Partner, to it at:

10 E. Cambridge Circle, Ste. 250  
Kansas City, Kansas 66103  
Attention: Edmund S. Gross  
Facsimile No.: 913-981-0000

or to such other Person or address as any party shall specify by notice in writing to the Partnership. All such notices, requests, demands, letters, waivers and other communications shall be deemed to have been received (w) if by personal delivery, at the time delivered by hand (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

11.9. Headings; Execution in Counterparts. The headings and captions contained herein are for convenience and shall not control or affect the meaning or construction of any provision hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same instrument.

11.10. Injunctive Relief. Each of the parties recognizes and agrees that money damages may be insufficient and, therefore, in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which such party may have.

11.11. Term. This Agreement shall be effective as of the date hereof and shall continue in effect thereafter until the earlier of (a) its termination by the written consent of the parties hereto or their respective successors in interest and (b) the date on which no Registrable Securities remain outstanding.

11.12. Further Assurances. Subject to the specific terms of this Agreement, each of the Partnership and the Unitholders shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby.

11.13. Entire Agreement. This Agreement and any agreements entered into in connection with this Agreement constitute the entire agreement and the understanding of the parties hereto with respect to the matters referred to herein. This Agreement and the agreements referred to in the preceding sentence supersede all prior agreements and understandings between the parties with respect to such matters.

[Signature page follows]

IN WITNESS WHEREOF this Agreement has been signed by each of the parties hereto, and shall be effective as of the date first above written.

**CVR Partners, LP**

By: CVR GP, LLC,  
its General Partner

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

**CVR Special GP, LLC**

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

**Coffeyville Resources, LLC**

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer



**CVR PARTNERS, LP**  
**PROFIT BONUS PLAN**

*Effective as of October 24, 2007*

1. **Purpose: Operation.** The purpose of the CVR Partners, LP Profit Bonus Plan (the "Plan") is to provide an incentive to employees of an Employer who contribute to the Company's success to increase their efforts on behalf of the Company and to promote the success of the Company's business. Participants in the Plan have the opportunity to receive cash payments in respect of their interests in the Plan in the event of certain distributions pursuant to the Parent LLC Agreement to the "Members" (as defined in the Parent LLC Agreement) of Coffeyville Acquisition III LLC. Whether payments will be made hereunder will depend on the amount of net proceeds realized in connection with the event that gives rise to such distributions. Defined terms are defined in Exhibit A hereto.
  2. **Administration.** The Plan shall be administered by the Committee. The Committee shall have the authority in its discretion, subject to and not inconsistent with the express provisions of the Plan, to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan, including, without limitation:
    - the authority to grant Bonus Points;
    - to determine the persons to whom and the time or times at which Bonus Points shall be granted;
    - to determine the number of Bonus Points to be granted and the terms, conditions and restrictions relating thereto;
    - to determine whether, to what extent, and under what circumstances Bonus Points may be settled, cancelled, forfeited, exchanged, or surrendered;
    - to make adjustments in the terms and conditions applicable to Bonus Points;
    - to determine the size of the Bonus Pool subject to the terms of the Plan;
    - to construe and interpret the Plan and Award Agreements;
    - to prescribe, amend and rescind rules and regulations relating to the Plan;
    - to determine the terms and provisions of the Award Agreements;
    - to determine the amounts allocable for payment pursuant to this Plan; and
    - to make all other determinations deemed necessary or advisable for the administration of the Plan.
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All determinations made by the Committee in respect of the Plan shall be final and binding on all Participants and their beneficiaries. No manager or member of the Company or member of the Committee shall be liable for any action taken or determination made in good faith with respect to the Plan or any Bonus Points granted hereunder. The Committee, with the consent of CVR GP, shall make determinations with respect to cash amounts allocated, if any, to the Plan, with reference to the applicable definitions set forth in Exhibit A; provided that any and all determinations with respect to cash amounts allocated to the Plan shall be made in the Committee's discretion and may vary from such definitions. The Committee may make adjustments in the operation of provisions of the Plan if the Committee determines in its sole discretion that such adjustments will further the intent of such provisions.

3. Eligibility. Bonus Points may be granted at any time to directors, employees (including officers) and service providers of an Employer, in the discretion of the Committee.

4. Bonus Points; Payment.

- (a) Awards of Bonus Points. The Committee shall grant Bonus Points to Participants pursuant to Award Agreements. The total number of Bonus Points available for grant hereunder shall initially be 1,000,000 but may be increased in the discretion of the Committee at any time.
- (b) Creation of Bonus Pool. Upon each Distribution, a Bonus Pool shall be created, which shall equal 4.069% of the amount distributed to the Members in the Distribution. Bonus Points shall represent the right to receive a cash payment from the Employer within thirty (30) days following the date on which a Distribution is made.
- (c) Bonus Point Payments. The cash amount payable to a Participant in respect of his or her Bonus Points at any time that a Distribution is made shall be determined by multiplying the amount of the Bonus Pool by a fraction, the numerator of which is the total number of Bonus Points held by the Participant and the denominator of which is 1,000,000 or such larger number of Bonus Points as may be outstanding; provided that the Committee may in an Award Agreement provide for a limitation on the amount payable in respect of any Participant's Bonus Points based on such criteria as the Committee in its sole discretion may determine. Any portion of a Bonus Pool that is not distributed to Participants in connection with any Distribution for any reason (e.g. there are Bonus Points that have not yet been awarded or have been forfeited or are otherwise not outstanding) shall revert to the Company and no Participant shall have any right to such undistributed amount. For the avoidance of doubt, the forgoing is simply a calculation of the amount of cash payment payable to a Participant holding Bonus Points, and in no event shall such Participant, in its capacity as such, have any rights to receive a payment or distribution from Parent.

5. Additional Awards; Adjustments.

- (a) Additional Awards. An Employer may determine that a Participant's performance warrants an award of additional Bonus Points, in which case the Employer may recommend to the Committee that an additional award be made.
- (b) In the event of any material acquisition, disposition, merger, recapitalization, capital contribution or other similar event, the Committee may make such adjustment(s) to the terms of the Plan or any awards granted under the Plan as the Committee shall determine appropriate in its sole discretion.

6. Termination of Employment. If a Participant ceases to be employed by an Employer (other than in connection with a transfer to another Employer), such Participant shall forfeit all Bonus Points granted to the Participant.

7. General Provisions.

- (a) Nontransferability. Unless otherwise provided in an Award Agreement, Bonus Points shall not be transferable by a Participant under any circumstances.
- (b) No Right to Continued Employment, etc. Nothing in the Plan or in any Award Agreement entered into pursuant the Plan shall confer upon any Participant the right to continue in the employ of or to be entitled to any remuneration or benefits not set forth in the Plan or such Award Agreement, or to interfere with or limit in any way the right of an Employer to terminate such Participant's employment.
- (c) Taxes. The Company or any Affiliate is authorized to withhold from any payment relating to Bonus Points under the Plan amounts of withholding and other taxes due to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations.
- (d) Excise Tax. To the extent that, (i) in the Committee's determination, payment to a Participant in respect of his or her Bonus Points would constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such payment would (together with any other payment to which the Participant is or may be entitled that would constitute a "parachute payment"), if reduced by all federal, state, and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code, be less than the amount the Participant would receive, after all taxes, if the Participant received aggregate payments in respect of his or her Bonus Points (and such other payments) equal (as valued under Section 280G of the Code) to only three times the Participant's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such payments hereunder shall be reduced to such extent to avoid the application of such excise tax; provided that the Company shall use its reasonable best efforts to obtain shareholder approval of the payments in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payments may be made to the Participant in respect of his or her Bonus Points without the application of the excise tax.

- (e) Amendment and Termination. The Plan shall take effect on the date of its adoption by CVR GP on behalf of CVR Partners. CVR GP may at any time and from time to time alter, amend, suspend, or terminate the Plan in whole or in part, including but not limited to, amending the Plan and awards to alter the structure of the Plan if CVR GP determines that the Plan is not meeting its objectives. Following any amendment of the Plan, Participants will have only such rights as are provided under such amended Plan and in the event of the termination of the Plan, Participants will have only such rights, if any, as are provided in connection with such termination.
- (f) No Rights to Awards; No Stockholder or Member Rights. No Participant shall have any claim to be granted any Bonus Points under the Plan, and there is no obligation for uniformity of treatment of Participants. A Participant or a transferee of Bonus Points shall have no rights as a stockholder or member of the Company, an Employer or any Affiliate of any of them.
- (g) Unfunded Status of Awards. 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 shall give any such Participant any rights that are greater than those of a general creditor of the Company.
- (h) Governing Law. The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Delaware without giving effect to the conflict of laws principles thereof.
- (i) Beneficiary. Upon the death of a Participant, all of his or her rights under the Plan shall inure to his or her designated beneficiary or, if no beneficiary has been designated for purposes of this Plan, to his or her estate.
- (j) No Guarantee or Assurances. There can be no guarantee that any Distributions will occur under the Parent LLC Agreement or that any payment to any Participant will result under the Plan.
- (k) Expiration of Plan. Unless otherwise determined by CVR GP, the Plan shall expire on October 24, 2017 and all outstanding Bonus Points shall then expire and be forfeited with no consideration paid in respect of such forfeiture.

## **EXHIBIT A**

### **Plan Definitions**

For purposes of the Plan, the following terms shall be defined as set forth below.

“Affiliate” shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Securities Exchange Act of 1934.

“Award Agreement” means any written agreement, contract, or other instrument or document evidencing a grant of Bonus Points.

“Bonus Points” means points available for allocation to Participants by the Committee. Each Bonus Point represents a right to receive payment from the Bonus Pool, if any, established upon a Distribution on the terms and conditions set forth herein.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Committee” means the compensation committee of CVR GP, or if there is no such committee, CVR GP.

“Company” means Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company and wholly owned subsidiary of CVR Partners, or any successor corporation.

“CVR GP” means CVR GP, LLC, a Delaware limited liability company and general partner of CVR Partners.

“CVR Partners” means CVR Partners, LP, a Delaware limited partnership.

“CVR Partners Agreement” means the Agreement of Limited Partnership of CVR Partners, LP, dated as of August 22, 2007, as may be amended and/or restated from time to time.

“Distributions” means distributions to Members pursuant to the Parent LLC Agreement in excess of distributions to Members of amounts representing all capital contributions made by the Members to Parent.

“Employer” means the Company or any Affiliate of the Company or any entity providing services to CVR Partners or the Company.

“Members” has the meaning given to such term in Section 1 of this Plan.

“Parent” means Coffeyville Acquisition III LLC.

“Parent LLC Agreement” means the limited liability company agreement of Parent, dated as of October 24, 2007.

“Participant” means an individual who has been granted Bonus Points pursuant to the Plan and who continues to hold Bonus Points.

“Plan” means this CVR Partners Profit Bonus Plan, as amended from time to time.

**CVR PARTNERS, LP**  
**CONTRIBUTION, CONVEYANCE AND ASSUMPTION AGREEMENT**

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## CONTRIBUTION, CONVEYANCE AND ASSUMPTION AGREEMENT

This Contribution, Conveyance and Assumption Agreement, dated as of October 24, 2007, is entered into by and among COFFEYVILLE RESOURCES, LLC, a Delaware limited liability company ("CR"), CVR GP, LLC, a Delaware limited liability company (the "Managing General Partner"), CVR SPECIAL GP, LLC, a Delaware limited liability company (the "Special General Partner") and CVR PARTNERS, LP, a Delaware limited partnership (the "Partnership"). The above-named entities are sometimes referred to in this Agreement each as a "Party," and collectively as the "Parties." Capitalized terms used herein shall have the meanings assigned to such terms in Section 1.1.

### RECITALS:

**WHEREAS**, CR, the Managing General Partner and the Special General Partner have formed the Partnership pursuant to the Delaware Revised Uniform Limited Partnership Act (the "Delaware LP Act") for the purpose of engaging in any business activity that is approved by and that lawfully may be conducted by a limited partnership organized pursuant to the Delaware LP Act in accordance with the terms of the Partnership Agreement.

**WHEREAS**, in order to accomplish the objectives and purposes in the preceding recital, each of the following actions have been taken prior to the date hereof:

1. CR formed the Managing General Partner under the terms of the Delaware Limited Liability Company Act (the "Delaware LLC Act") and contributed \$1,000 to the Managing General Partner in exchange for all of the member interests in the Managing General Partner.
2. CR formed the Special General Partner under the terms of the Delaware LLC Act and contributed \$1,000 to the Special General Partner in exchange for all of the member interests in the Special General Partner.
3. The Managing General Partner, the Special General Partner and CR formed the Partnership under the terms of the Delaware LP Act and (a) the Managing General Partner contributed \$1,000 to the Partnership in exchange for a managing general partner interest in the Partnership, (b) the Special General Partner contributed \$1,000 to the Partnership in exchange for a non-managing general partner interest in the Partnership and (c) CR contributed \$1,000 to the Partnership in exchange for a nominal limited partner interest in the Partnership.

**WHEREAS**, concurrently with the consummation of the transactions contemplated hereby, each of the following shall occur:

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1. Fertilizers will distribute all of its receivables, other than receivables relating to prepay fertilizer sales contract, (the "Working Capital Assets") to CR.

2. CR will convey:

(a) 1.000% of the Fertilizer Interests to the Partnership, on behalf of the Managing General Partner, in exchange for the Managing General Partner Interest in the Partnership;

(b) 98.901% of the Fertilizer Interests to the Partnership, on behalf of the Special General Partner, in exchange for 30,303,000 Special GP Units, representing a 99.9% special general partner interest in the Partnership; and

(c) 0.099% of the Fertilizer Interests to the Partnership, on its own behalf, in exchange for 30,333 Special LP Units, representing a 0.1% limited partner interest in the Partnership.

**WHEREAS**, it is the intent of the Parties that the Managing General Partner have the discretion to effect an Initial Offering, consistent with provisions of the Partnership Agreement and it may be necessary for the Parties to take reasonable actions to effect the Initial Offering.

**NOW, THEREFORE**, in consideration of their mutual undertakings and agreements hereunder, the Parties undertake and agree as follows:

**ARTICLE I**  
**DEFINITIONS**

Section 1.1 Terms. Capitalized terms used herein but not defined shall have the meanings given them in the Partnership Agreement. The following defined terms shall have the meanings given below:

"Agreement" means this Contribution, Conveyance and Assumption Agreement.

"Call Right" has the meaning set forth in Section 4.4.

"CapEx Reimbursement Amount" has the meaning set forth in Section 4.2(b)(i).

"Code" means Internal Revenue Code of 1986, as amended.

"CR" has the meaning as set forth in the opening paragraph of this Agreement.

"Delaware LLC Act" has the meaning as set forth in the Recitals of this Agreement.

"Delaware LP Act" has the meaning as set forth in the Recitals of this Agreement.

“Effective Time” means immediately after the close of business of Fertilizers on the date hereof.

“Fertilizer Interests” means the membership interests in Fertilizers.

“Fertilizer Interest Liabilities” means all liabilities arising out of or related to the ownership of the Fertilizer Interests to the extent arising or accruing on and after the Effective Time, whether known or unknown, accrued or contingent, and whether or not reflected on the books and records of Fertilizers or their affiliates.

“Fertilizers” means Coffeyville Resources Nitrogen Fertilizers, LLC, a Delaware limited liability company.

“IO Debt Financing” has the meaning set forth in Section 4.2(c).

“Managing General Partner” has the meaning as set forth in the opening paragraph of this Agreement.

“Partnership” has the meaning as set forth in the opening paragraph of this Agreement.

“Partnership Agreement” means the First Amended and Restated Agreement of Limited Partnership of CVR Partners, LP, dated as of October 24, 2007 to which reference is hereby made for all purposes of this Agreement.

“Party” or “Parties” has the meaning as set forth in the opening paragraph of this Agreement.

“Put Right” has the meaning set forth in Section 4.3.

“Requested Modifications” has the meaning set forth in Section 4.2(e).

“Special General Partner” has the meaning as set forth in the opening paragraph of this Agreement.

“Special GP Offering” has the meaning set forth in Section 4.2(c).

“Swaps” has the meaning set forth in Section 4.2(e).

“Working Capital Amount” has the meaning as set forth in Section 4.2(b)(ii).

“Working Capital Assets” has the meaning as set forth in the Recitals of this Agreement.

**ARTICLE II**  
**CONTRIBUTION**

Section 2.1 **Distribution and Assignment of Working Capital Assets to CR**. The Parties hereby acknowledge the distribution and assignment by Fertilizers of the Working Capital Assets to CR and receipt by CR of the Working Capital Assets.

Section 2.2 **Contribution of Fertilizer Interests to the Partnership**. CR hereby grants, contributes, bargains, conveys, assigns, transfers, sets over and delivers the Fertilizer Interests to the Partnership, its successors and assigns, for its and their own use forever, on behalf of the Managing General Partner, the Special General Partner and itself as described in the recitals hereto, in exchange for (a) the continuation of the Managing General Partner Interest in the Partnership held by the Managing General Partner, (b) the issuance to the Special General Partner of 30,303,000 Special GP Units, representing a 99.9% general partner interest in the Partnership, and (c) the issuance to CR of 30,333 Special LP Units, representing a 0.1% limited partner interest in the Partnership and the Partnership hereby accepts such Fertilizer Interests as contributions to the capital of the Partnership.

The Partnership agrees to refund the initial \$1,000 contributed by each of the Special General Partner and CR promptly following the issuance of Special GP Units and Special LP Units described above and any Partnership Interest acquired with such \$1,000, other than the Managing General Partner interest, which shall be continued as described above, shall be redeemed and cancelled and of no further effect.

**ARTICLE III**  
**ASSUMPTIONS OF CERTAIN LIABILITIES**

Section 3.1 **Assumption of Fertilizer Interest Liabilities by the Partnership**. In connection with the contribution and transfer by CR of the Fertilizer Interest to the Partnership, as set forth in Article II above, the Partnership hereby assumes and agrees to duly and timely pay, perform and discharge the Fertilizer Interest Liabilities, to the full extent that CR has been heretofore or would have been in the future obligated to pay, perform and discharge the Fertilizer Interest Liabilities were it not for the execution and delivery of this Agreement; provided, however, that said assumption and agreement to duly and timely pay, perform and discharge the Fertilizer Interest Liabilities shall not (a) increase the obligation of the Partnership with respect to the Fertilizer Interest Liabilities beyond that of CR, (b) waive any valid defense that was available to CR with respect to the Fertilizer Interest Liabilities or (c) enlarge any rights or remedies of any third party, if any, under any of the Fertilizer Interest Liabilities.

**ARTICLE IV**  
**ADDITIONAL TRANSACTIONS**

Section 4.1 **Notice of Initial Offering**. If the Managing General Partner elects to cause the Partnership to undertake the Initial Offering the Managing General Partner shall give

prompt notice to CR and the Special General Partner of such election and the proposed terms of the Initial Offering, including whether it will be an Initial Public Offering or an Initial Private Offering, the anticipated timing and size of the Initial Offering, the proposed use of proceeds and the identity of each managing underwriter or initial purchaser, as applicable.

Section 4.2 **Actions in Connection with Initial Offering.**

(a) CR shall use, and shall cause each of its Subsidiaries to use, its commercially reasonable efforts to take such actions and enter into such transactions as the Managing General Partner reasonably requests to effectuate and permit the consummation of the Initial Offering. Such actions may include the entry into customary lock-up agreements with the managing underwriters or initial purchasers, as applicable, and the transfer by CR or its wholly-owned Affiliates of their ownership interest in the Partnership to other wholly-owned Affiliates of CR.

(b) The Partnership shall use:

(i) up to \$30 million in net proceeds (the "CapEx Reimbursement Amount") from the Initial Offering to repay CR for capital expenditures CR incurred related to the assets of Fertilizers during the two year period prior to the effective date of the sale of the Managing General Partner by CR to Coffeyville Acquisition III, LLC; and

(ii) an additional amount of net proceeds from the Initial Offering, as determined by the Managing General Partner (the "Working Capital Amount"), to fund working capital, future Operating Expenditures or Expansion Capital Expenditures, or other general partnership purposes of the Partnership and Fertilizers.

(c) CR and the Special General Partner agree that the Managing General Partner may structure the Initial Offering to include (x) a secondary offering of Units by the Special General Partner and/or (y) a primary offering of Units by the Partnership together with, as determined by the Managing General Partner, a substantially contemporaneous incurrence of indebtedness by the Partnership and/or Fertilizers (an "IO Debt Financing") where a use of proceeds from the Initial Offering and IO Debt Financing is to redeem Units from the Special General Partner, with a per-Unit redemption price equal to the price at which a Unit is purchased from the Partnership, net of any sales commissions or underwriting discounts charged to the Partnership (a "Special GP Offering"). If the Special GP Offering is structured as a redemption of Units, Common Units of the Special General Partner shall be redeemed first, then Subordinated Units to the extent the Special General Partner no longer has Common Units. The number of Units sold by and/or redeemed from the Special General Partner may not, without the Special General Partner's consent, exceed a number of Units reasonably expected by the Managing General Partner, at the time of filing of the initial registration statement or first distribution of the offering memorandum (i.e. based upon the expected net per-Unit price), as applicable, to generate \$100 million in net proceeds to the Special General Partner (excluding any net proceeds from the exercise of any Over-Allotment Option). Without the Special General Partner's consent the Special GP Offering may in no event be consummated if the net proceeds to the Special General Partner are less than \$10 per Unit, as adjusted pursuant to Section 5.9 of the Partnership Agreement, as applicable. Upon request by CR, a Special GP Offering may include some or all of the Units owned directly by CR, in lieu of an equal number of Units owned by the Special General Partner.

(d) In order to effect the Requested Modifications (as defined below), CR may require that (A) the Partnership consummate a Special GP Offering generating at least \$140 million in net proceeds to the Special General Partner and (B) the Partnership otherwise distribute to the Special General Partner and CR (in its role as Limited Partner) an amount of cash equal to (1) \$75 million minus (2) the CapEx Reimbursement Amount.

(e) If the Managing General Partner reasonably determines that, in order to consummate the Initial Offering on terms materially consistent with terms prevalent in the then-current market for initial public offerings of publicly traded partnerships relying primarily on 7704(d)(1)(E) of the Code, it is necessary or appropriate that the Partnership and its Subsidiaries be released from their obligations as obligors or guarantors of the Coffeyville Credit Agreements and the ISDA swap agreements between CR and J. Aron & Company (the "Swaps"), or any amendment or successor or replacement agreement thereto, or that other amendments or modifications thereto are necessary or appropriate, then the Managing General Partner shall give prompt written notice to CR describing such amendments or modifications (the "Requested Modifications"). Such notice shall, in any event, be given ninety (90) days prior to the anticipated closing date of the Initial Offering. CR shall use, and shall cause each of its Subsidiaries to use, its commercially reasonable efforts (as qualified below) to effect the Requested Modifications, through amendment to, or replacement (including by way of refinancing) of, the applicable agreement. CR shall not be considered to have made "commercially reasonable efforts" to effect the Requested Modifications if it determines not to pursue or effect such Requested Modifications due to (i) payment of fees to the lenders under the Coffeyville Credit Agreements or the swap counterparty, (ii) the costs of this type of amendment or replacement, (iii) an increase in applicable margins or spreads or (iv) changes to the terms required by the lenders or swap counterparty including revised covenants, events of default and repayment and prepayment provisions; provided that (i), (ii), (iii) and (iv) are not reasonably likely, in the aggregate, to have a material adverse effect on CR.

(f) If the Initial Offering includes a Special GP Offering and an Over-Allotment Option, then (i) if the Special GP Offering is a secondary offering, the Special General Partner will agree with the underwriters or initial purchasers of the Initial Offering to sell its pro rata portion of the Units issued upon any exercise of the Over-Allotment Option, or (ii) if the Special GP Offering is a redemption, that its pro rata portion of the Units issued upon any exercise of the Over-Allotment Option shall be redeemed (with a per-Unit redemption price equal to the price at which a Unit is purchased from the Partnership, net of any sales commissions or underwriting discounts charged to the Partnership).

Section 4.3 **Managing General Partner Put Right**. If the Initial Offering is not consummated by the second anniversary of the Closing Date, the Managing General Partner shall have the right to require CR to purchase the Managing General Partner Interest (the "Put Right"). The Put Right shall expire on the earlier of (i) the fifth anniversary of the Closing Date and (ii) the closing of the Initial Offering.

Section 4.4 **CR Call Right**. If the Initial Offering is not consummated by the fifth anniversary of the Closing Date, CR shall have the right to require the Managing General Partner to sell the Managing General Partner Interest to CR (the "Call Right"). The Call Right shall expire on the closing of the Initial Offering. The Call Right may not be exercised for a period of

120 consecutive days following the initial filing of a registration statement relating to an Initial Public Offering.

Section 4.5 **Procedures for Put/Call**. In the event of an exercise of the Put Right or the Call Right, the purchase price shall be the fair market value of the Managing General Partner interest, determined and payable as of the effective date of the purchase and sale. The fair market value of the Managing General Partner Interest shall be determined by an independent investment banking firm selected by the Managing General Partner and CR. If such parties cannot agree upon one independent investment banking firm within 45 days after the date of notice of exercise of the Put Right or Call Right, then the Managing General Partner shall designate an independent investment banking firm, CR shall designate an independent investment banking firm, and such firms shall mutually select a third independent investment banking firm, which third independent investment banking firm shall determine the fair market value of the Managing General Partner Interest.

In making its determination, the independent investment banking firm may, in turn, rely on other experts, and the determination of which shall be conclusive. The independent investment banking firm may consider the value of the Partnership's assets, the rights and obligations of the Managing General Partner and other factors it may deem relevant but the fair market value shall not include any control premium and shall be determined as if the last provisos contained in Sections 6.4(a), (b) and (c) of the Partnership Agreement (which provide that no distributions will be paid to the Managing General Partner (in respect of the Incentive Distribution Rights) for so long as any Group Member is a guarantor of any Coffeyville Credit Agreement) no longer applied.

**ARTICLE V**  
**FURTHER ASSURANCES**

From time to time after the date hereof, and without any further consideration the Parties agree to execute, acknowledge and deliver all such additional deeds, assignments, bills of sale, conveyances, instruments, notices, releases, acquittances and other documents, and will do all such other acts and things, all in accordance with applicable law, as may be necessary or appropriate (a) more fully to assure that the applicable Parties own all of the properties, rights, titles, interests, estates, remedies, powers and privileges granted by this Agreement, or which are intended to be so granted, or (b) more fully and effectively to vest in the applicable Parties and their respective successors and assigns beneficial and record title to the interests contributed and assigned by this Agreement or intended so to be and to more fully and effectively carry out the purposes and intent of this Agreement.

**ARTICLE VI**  
**EFFECTIVE TIME**

Notwithstanding anything contained in this Agreement to the contrary, none of the provisions of Article II or Article III of this Agreement shall be operative or have any effect until

the Effective Time, at which time all the provisions of Article II or Article III of this Agreement shall be effective and operative in accordance with Article VII, without further action by any Party.

**ARTICLE VII**  
**MISCELLANEOUS**

Section 7.1 **Order of Completion of Transactions.** The transactions provided for in Article III of this Agreement shall be completed simultaneously with the transactions provided for in Article II of this Agreement.

Section 7.2 **Costs.** The Partnership shall pay all expenses, fees and costs, including sales, use and similar taxes arising out of the contributions, conveyances and deliveries to be made hereunder, and shall pay all documentary, filing, recording, transfer, deed and conveyance taxes and fees required in connection therewith. In addition, the Partnership shall be responsible for all costs, liabilities and expenses (including court costs and reasonable attorneys' fees) incurred in connection with the implementation of any conveyance or delivery pursuant to Article V of this Agreement.

Section 7.3 **Headings; References; Interpretation.** All Article and Section headings in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any of the provisions hereof. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, and not to any particular provision of this Agreement. All references herein to Articles and Sections shall, unless the context requires a different construction, be deemed to be references to the Articles and Sections of this Agreement, respectively. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, and the singular shall include the plural and vice versa. The terms "include," "includes," "including" or words of like import shall be deemed to be followed by the words "without limitation."

Section 7.4 **Successors and Assigns.** The Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

Section 7.5 **No Third Party Rights.** The provisions of this Agreement are intended to bind the parties signatory hereto as to each other and are not intended to and do not create rights in any other person or confer upon any other person any benefits, rights or remedies and no person is or is intended to be a third party beneficiary of any of the provisions of this Agreement.

Section 7.6 **Counterparts.** This Agreement may be executed in any number of counterparts, all of which together shall constitute one agreement binding on the Parties.

Section 7.7 **Governing Law.** This Agreement shall be subject to and governed by the laws of the State of New York.

Section 7.8 **Arbitration**. Any controversy, dispute or claim arising out of or relating in any way to this Agreement or the transactions arising hereunder that cannot be resolved by negotiation shall be settled by binding arbitration in accordance with the CPR Rules for Non-Administered Arbitration in effect on the date of this Agreement by three independent and impartial arbitrators, of whom the Managing General Partner and CR shall each appoint one, and those appointed arbitrators shall select the third arbitrator, who shall be the presiding arbitrator. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. 1-16 (the "Federal Arbitration Act") to the exclusion of state laws inconsistent therewith, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The arbitration hearing shall take place in the state of Kansas or at some other mutually agreeable location and the hearing shall take place within 120 calendar days from the date of demand for arbitration. The arbitrators shall base their award on the terms of this Agreement and shall follow the law and judicial precedents which a United States District Judge sitting in federal court in the City of New York would apply in the event the dispute were litigated in such court. The parties expressly agree that this Agreement shall confer no power or authority upon the arbitrators to render any judgment or award that is erroneous in its application of substantive law and expressly agree that no such erroneous judgment or award shall be eligible for confirmation. The arbitrators shall render their award in writing and shall include the findings of fact and conclusions of law upon which their award is based. The arbitration shall be governed by the laws of the State of New York applicable to contracts made and to be performed wholly within such state, and by the arbitration law of the Federal Arbitration Act. The arbitration hearings shall be continuous subject to weekends, holidays, or other days to be mutually agreed and the total days of hearing shall not exceed ten hearing days per party. The arbitrators shall render their award no later than thirty calendar days after the conclusion of the hearings. The submission of post-hearing legal briefs shall be subject to the discretion of the arbitrators, but in no event shall the briefs delay the arbitrators' decision in this matter. All expenses and fees of the arbitrators and expenses for hearing facilities and other expenses of the arbitration shall be borne equally by the Managing General Partner and CR unless they agree otherwise. The arbitrators shall render their award within 90 days of the conclusion of the arbitration hearing. The arbitrators shall not be empowered to award any punitive damages in connection with any dispute arising out of or relating in any way to this Agreement or the transactions arising hereunder, and all parties hereby irrevocably waives any right to recover such damages. The arbitration hearings and award shall be maintained in confidence.

Section 7.9 **Severability**. If any of the provisions of this Agreement are held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any political body having jurisdiction over the subject matter hereof, such contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, and an equitable adjustment shall be made and necessary provision added so as to give effect to the intention of the Parties as expressed in this Agreement at the time of execution of this Agreement.

Section 7.10 **Amendment or Modification**. This Agreement may be amended or modified from time to time only by the written agreement of all the Parties.

Section 7.11 **Integration**. This Agreement and the instruments referenced herein supersede all previous understandings or agreements among the Parties, whether oral or written,



with respect to its subject matter. This document and such instruments contain the entire understanding of the Parties. No understanding, representation, promise or agreement, whether oral or written, is intended to be or shall be included in or form part of this Agreement unless it is contained in a written amendment hereto executed by the Parties after the date of this Agreement.

Section 7.12 **Deed; Bill of Sale; Assignment.** To the extent required and permitted by applicable law, this Agreement shall also constitute a “deed,” “bill of sale” or “assignment” of the assets and interests referenced herein.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties as of the date first written above.

**CVR PARTNERS, LP**

By: CVR GP, LLC,  
its Managing General Partner

By: /s/ Kevan A. Vick  
Name: Kevin A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

**COFFEYVILLE RESOURCES, LLC**

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

**CVR GP, LLC**

By: /s/ Kevan A. Vick  
Name: Kevan A. Vick  
Title: Executive Vice President and  
Fertilizer General Manager

**CVR SPECIAL GP, LLC**

By: Coffeyville Resources, LLC  
its sole member

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer and Treasurer

MANAGEMENT  
REGISTRATION RIGHTS AGREEMENT

CVR ENERGY, INC.

Dated as of October 16, 2007

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TABLE OF CONTENTS

	<u>Page</u>	
Section 1	Incidental Registrations	1
Section 2	Registration Procedures	2
Section 3	Underwritten Offerings.	7
3.1	Underwriting Agreement	7
Section 4	Holdback Agreements	8
Section 5	Preparation; Reasonable Investigation	9
Section 6	Indemnification.	9
6.1	Indemnification by the Company	9
6.2	Indemnification by the Sellers	10
6.3	Notices of Claims, etc	11
6.4	Other Indemnification	11
6.5	Indemnification Payments	11
6.6	Other Remedies	12
Section 7	Representations and Warranties	12
Section 8	Definitions	13
Section 9	Miscellaneous.	15
9.1	Rule 144, etc	15
9.2	Successors, Assigns and Transferees	15
9.3	Stock Splits, etc	16
9.4	Amendment and Modification	16
9.5	Governing Law; Venue and Service of Process	17
9.6	Invalidity of Provision	17
9.7	Notices	17
9.8	Headings: Execution in Counterparts	18
9.9	Injunctive Relief	18
9.10	Term	19
9.11	Further Assurances	19
9.12	Entire Agreement	19
9.13	No Third Party Beneficiaries	19

**MANAGEMENT REGISTRATION RIGHTS AGREEMENT  
OF CVR ENERGY, INC.**

MANAGEMENT REGISTRATION RIGHTS AGREEMENT, dated as of October 16, 2007 (the "**Agreement**"), by and among CVR Energy, Inc., a Delaware corporation (the "**Company**"), and those employees of the Company or its subsidiaries listed under the heading "Management Stockholders" on the Schedule A hereto (collectively, the "**Management Stockholders**"). Capitalized terms used herein without definition are defined in Section 10.

WHEREAS, the Company is proposing to sell shares of Common Stock to the public in an initial public offering ("**IPO**");

WHEREAS, immediately after the completion of the Company's IPO, it is expected that the Investor Stockholders will own approximately 77.0% (74.4% if the underwriters exercise their option to purchase additional shares from the Investor Stockholders) of the issued and outstanding shares of Common Stock;

WHEREAS, the parties hereto wish to set forth certain rights and obligations with respect to the registration of the shares of Common Stock under the Securities Act.

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement, the parties hereto agree as follows:

Section 1. Incidental Registrations. If the Company at any time proposes to register any of its equity securities under the Securities Act (including, but not limited to, a shelf registration statement on Form S-3, but other than pursuant to a registration on Form S-4 or S-8 or any successor form) whether or not for sale for its own account, then the Company shall give prompt written notice (but in no event less than 30 days prior to the initial filing with respect thereto) to all holders of Registrable Securities regarding such proposed registration. Upon the written request of any such holder made within 15 days after the receipt of any such notice (which request shall specify the number of Registrable Securities intended to be disposed of by such holder and the intended method or methods of disposition thereof), the Company shall use its best efforts to effect the registration under the Securities Act of such Registrable Securities on a *pro rata* basis in accordance with such intended method or methods of disposition; provided that:

(a) (i) the Company shall not include Registrable Securities in such proposed registration to the extent that the Board shall have determined, after consultation with the managing underwriter for such offering, that it would materially and adversely affect the offering price to include any Registrable Securities in such registration and (ii) the Company shall not include Registrable Securities of any Management Stockholder in any proposed registration pursuant to this Section 1 to the extent that the managing underwriter (or, in the case of an offering that is not underwritten, a nationally recognized investment banker) shall determine in good faith that the participation of such Management Stockholder would materially and adversely affect the marketability or the offering price of the

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securities being sold in such registration and provided, further, that in the event of any such determination under clause (i) or (ii), the Company shall give the affected holders of Registrable Securities notice of such determination and in lieu of the notice otherwise required by the first sentence of this Section 1:

(b) if, at any time after giving written notice (pursuant to this Section 1) of its intention to register equity securities and prior to the effective date of the registration statement filed in connection with such registration, the Company shall determine for any reason not to register such equity securities, the Company may, at its election, give written notice of such determination to each holder of Registrable Securities and, thereupon, shall not be obligated to register any Registrable Securities in connection with such registration (but shall nevertheless pay the Registration Expenses in connection therewith); and

(c) if in connection with a registration pursuant to this Section 1, the managing underwriter of such registration (or, in the case of an offering that is not underwritten, a nationally recognized investment banking firm) shall advise the Company in writing (with a copy to each holder of Registrable Securities requesting registration thereof) that the number of securities requested and otherwise proposed to be included in such registration exceeds the number which can be sold in such offering without materially and adversely affecting the offering price of the securities being sold in such registration, then in the case of any registration pursuant to this Section 1, the Company shall include in such registration to the extent of the number which the Company is so advised can be sold in such offering without such material adverse effect, first, the securities, if any, being sold by the Company, and second, the Registrable Securities of the Investor Stockholders and the Management Stockholders requesting inclusion in such registration, on a *pro rata* basis (based on the number of shares of Registrable Securities owned by each such holder).

The Company shall pay all Registration Expenses in connection with each registration of Registrable Securities requested pursuant to this Section 1; provided that each seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any, in respect of the Registrable Securities being registered for such seller.

Section 2. Registration Procedures. If and whenever the Company is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to Section 1, the Company shall promptly:

(a) prepare, and as soon as practicable, but in any event within 30 days thereafter, file with the Commission, a registration statement with respect to such Registrable Securities, make all required filings with the NASD and use its best efforts to cause such registration statement to become and remain effective as soon as practicable;

(b) prepare and promptly file with the Commission such amendments and post-effective amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for so long as is required to comply with the provisions of the Securities Act and to complete the disposition of all securities covered by such registration statement in accordance with the intended method or methods of disposition thereof, but in no event for a period of more than six months after such registration statement becomes effective;

(c) furnish copies of all documents proposed to be filed with the Commission in connection with such registration to each seller of Registrable Securities (or in the case of the initial filing of a registration statement, within five business days of such initial filing) and such documents shall be subject to the review of such counsel; provided that the Company shall not file any registration statement or any amendment or post-effective amendment or supplement to such registration statement or the prospectus used in connection therewith or any free writing prospectus related thereto to which such counsel shall have reasonably objected on the grounds that such registration statement amendment, supplement or prospectus or free writing prospectus does not comply (explaining why) in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder;

(d) furnish to each seller of Registrable Securities, without charge, such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits and documents filed therewith) and such number of copies of the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, each free writing prospectus utilized in connection therewith, and such other documents, as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller in accordance with the intended method or methods of disposition thereof;

(e) use its best efforts to register or qualify such Registrable Securities and other securities covered by such registration statement under the securities or blue sky laws of such jurisdictions as each seller shall reasonably request, and do any and all other acts and things which may be necessary or advisable to enable such seller to consummate the disposition of such Registrable Securities in such jurisdictions in accordance with the intended method or methods of disposition thereof; provided that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it is not so qualified, subject itself to taxation in any jurisdiction wherein it is not so subject, or take any action which would subject it to general service of process in any jurisdiction wherein it is not so subject;

(f) use its best efforts to cause all Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary by virtue of the business and operations of the Company to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(g) promptly notify each seller of any Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event or existence of any fact as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and, as promptly as is practicable, prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include 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 not misleading in light of the circumstances then existing;

(h) otherwise comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable and in any event within 16 months after the effective date of the registration statement, an earnings statement of the Company (in form complying with the provisions of Rule 158 under the Securities Act) covering the period of at least 12 months, but not more than 18 consecutive months, beginning with the first full calendar month after the effective date of such registration statement;

(i) notify each seller of any Registrable Securities covered by such registration statement (i) when the prospectus or any prospectus supplement or post-effective amendment or any "free writing prospectus" has been filed and/or used, and, with respect to such registration statement or any post-effective amendment, when the same has become effective, (ii) of the receipt by the Company of any comments from the Commission or of any request by the Commission for amendments or supplements to such registration statement or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose and (iv) of the suspension of the qualification of such securities for offering or sale in any jurisdiction, or of the institution of any proceedings for any of such purposes;



(j) use every reasonable effort to obtain the lifting of any stop order that might be issued suspending the effectiveness of such registration statement at the earliest possible moment;

(k) use its best efforts (i) (A) to list such Registrable Securities on any securities exchange on which the equity securities of the Company are then listed or, if no such equity securities are then listed, on an exchange selected by the Company, if such listing is then permitted under the rules of such exchange, or (B) if such listing is not practicable, to secure designation of such securities as a NASDAQ "national market system security" within the meaning of Rule 11Aa2-1 under the Exchange Act or, failing that, to secure NASDAQ authorization for such Registrable Securities, and, without limiting the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD, and (ii) to provide a transfer agent and registrar for such Registrable Securities not later than the effective date of such registration statement and to instruct such transfer agent (A) to release any stop transfer order with respect to the certificates with respect to the Registrable Securities being sold and (B) to furnish certificates without restrictive legends representing ownership of the shares being sold, in such denominations requested by the sellers of the Registrable Securities or the lead underwriter;

(l) enter into such agreements and take such other actions as the sellers of Registrable Securities or the underwriters reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including, without limitation, preparing for, and participating in, such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition;

(m) furnish to any holder of such Registrable Securities such information and assistance as such holder may reasonably request in connection with any "due diligence" effort which such seller deems appropriate;

(n) cooperate with each seller of Registrable Securities and each underwriter and their respective counsel in connection with any filings required to be made with the NASD, New York Stock Exchange, or any other securities exchange on which such Registrable Securities are traded or will be traded;

(o) cooperate with the sellers of the Registrable Securities and the managing underwriter to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Majority Holders at least five business days prior to any sale of Registrable Securities and

instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(p) cause its officers and employees to participate in, and to otherwise facilitate and cooperate with the preparation of the registration statement and prospectus and any amendments or supplements thereto (including participating in meetings, drafting sessions and due diligence sessions) taking into account the Company's business needs;

(q) use its best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby;

(r) take all reasonable action to ensure that any "free writing prospectus" utilized in connection with any registration covered by this agreement complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, prospectus supplement and related documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(s) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the Commission such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

If the Company files any shelf registration statement for the benefit of the holders of any of its securities other than the Management Stockholders, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B (referring to the unnamed selling security holders in a generic manner by identifying the initial issuance and sale of the securities to the Management Stockholders) in order to ensure that the Management Stockholders may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

As a condition to its registration of Registrable Securities of any prospective seller, the Company may require such seller of any Registrable Securities as to which any registration is being effected to execute powers-of-attorney, custody arrangements and other customary agreements appropriate to facilitate the offering and to furnish to the Company such information regarding such seller, its ownership of Registrable Securities and the disposition of such Registrable Securities as the Company may from time to time reasonably request in writing and as shall be required by law in connection therewith. Each such holder agrees to furnish

promptly to the Company all information required to be disclosed in such registration statement in order to make the information previously furnished to the Company by such holder and disclosed in such registration statement not materially misleading.

The Company agrees not to file or make any amendment to any registration statement with respect to any Registrable Securities, or any amendment of or supplement to the prospectus used in connection therewith, which refers to any holder of Registrable Securities, or otherwise identifies any holder of Registrable Securities as the holder of any Registrable Securities, without the prior consent of such holder, such consent not to be unreasonably withheld or delayed, unless such disclosure is required by law. Notwithstanding the foregoing, if any such registration statement or comparable statement under “blue sky” laws refers to any holder of Registrable Securities by name or otherwise as the holder of any securities of the Company, then such holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such holder and the Company, to the effect that the holding by such holder of such Registrable Securities is not to be construed as a recommendation by such holder of the investment quality of the Company’s securities covered thereby and that such holding does not imply that such holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such holder by name or otherwise is not in the judgment of the Company, as advised by counsel, required by the Securities Act or any similar federal statute or any state “blue sky” or securities law then in force, the deletion of the reference to such holder.

By acquisition of Registrable Securities, each holder of such Registrable Securities shall be deemed to have agreed that upon receipt of any notice from the Company of the happening of any event of the kind described in Section 2(g), such holder will promptly discontinue such holder’s disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such holder’s receipt of the copies of the supplemented or amended prospectus contemplated by Section 2(g). If so directed by the Company, each holder of Registrable Securities will deliver to the Company (at the Company’s expense) all copies, other than permanent file copies, in such holder’s possession of the prospectus covering such Registrable Securities at the time of receipt of such notice. In the event that the Company shall give any such notice, the period mentioned in Section 2(a) shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of any Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 2(g).

### Section 3. Underwritten Offerings.

3.1. Underwriting Agreement. If requested by the underwriters for any underwritten offering pursuant to a registration requested under Section 1, the Company shall enter into an underwriting agreement with the underwriters for such offering. Any such underwriting agreement shall contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms and provisions as are customarily contained in agreements of this type, including, without limitation, indemnities to the effect and to the extent provided in Section 6. Each holder of Registrable Securities to be distributed by such

underwriter who owns 10% or more of the Common Stock of the Company (computed on a fully-diluted basis) at the time of such offering shall be a party to such underwriting agreement and may, at such holder's option, require that any or all of the representations and warranties by, and the agreements on the part of, the Company to and for the benefit of such underwriters be made to and for the benefit of such holder of Registrable Securities and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement shall also be conditions precedent to the obligations of such holder of Registrable Securities. The Management Stockholders in their capacities as stockholders and/or controlling persons shall not be required by any underwriting agreement to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such holder, the ownership of such holder's Registrable Securities and such holder's intended method or methods of disposition and any other representation required by law or to furnish any indemnity to any Person which is broader than the indemnity furnished by such holder pursuant to [Section 6.2](#).

**Section 4. Holdback Agreements.** If and whenever the Company proposes to register any of its equity securities under the Securities Act for its own account (other than on Form S-4 or S-8 or any successor form) or is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to [Section 1](#), each holder of Registrable Securities agrees by acquisition of such Registrable Securities not to effect any offer, sale or distribution, including any sale pursuant to Rule 144 under the Securities Act, of any Registrable Securities within seven days prior to the reasonably expected effective date of the contemplated registration statement and during the period beginning on the effective date of the registration statement relating to such registration (the "**Trigger Date**") and until 90 days (unless advised by the managing underwriter that a longer period, not to exceed 180 days, is required, or such shorter period as the managing underwriter for any underwritten offering may agree) after the Trigger Date, except as part of such registration or unless, in the case of a sale or distribution not involving a public offering, the transferee agrees in writing to be subject to this [Section 4](#), even if such Registrable Securities cease to be Registrable Securities upon such transfer. If requested by such managing underwriter, each holder of Registrable Securities agrees to execute an agreement to such effect with the Company and consistent with such managing underwriter's customary form of holdback agreement.

(a) The Company agrees not to effect any public offer, sale or distribution of its equity securities or securities convertible into or exchangeable or exercisable for any of such securities within seven days prior to the reasonably expected effective date of the contemplated registration statement (except (i) as part of such registration, (ii) as permitted by any related underwriting agreement, (iii) pursuant to an employee equity compensation plan, or (iv) pursuant to an acquisition or strategic relationship or similar transaction or (v) pursuant to a registration on Form S-4 or S-8 or any successor form). In addition, if, and to the extent requested by the managing underwriter, the Company shall use its best efforts to cause each holder (other than any holder already subject to [Section 4\(a\)](#)) of its equity securities or any securities convertible into or exchangeable or exercisable for any of such securities, whether outstanding on the date of this Agreement or issued at any time after the date of this Agreement (other than any

such securities acquired in a public offering), to agree not to effect any such public offer, sale or distribution of such securities during such period, except as part of any such registration if permitted, and to cause each such holder to enter into an agreement to such effect with the Company and consistent with such managing underwriter's customary form of holdback agreement.

Section 5. Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement registering Registrable Securities under the Securities Act, the Company shall give counsel to the holders of such Registrable Securities so to be registered, the managing underwriter(s), and their respective counsel, accountants and other representatives and agents the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and shall give each of the foregoing parties access to the financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries and opportunities to discuss the business of the Company with its officers and the independent public accountants who have issued audit reports on its financial statements in each case as shall be reasonably requested by each of the foregoing parties in connection with such registration statement.

Section 6. Indemnification.

6.1. Indemnification by the Company. The Company agrees that in the event of any registration of any Registrable Securities pursuant to this Agreement, the Company shall indemnify, defend and hold harmless (a) each holder of Registrable Securities, (b) the Affiliates of such holder and the advisors, representatives, agents of such holder and its Affiliates, (c) each Person who participates as an underwriter or Qualified Independent Underwriter in the offering or sale of such securities and (d) each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any of the foregoing against any and all losses, penalties, fines, liens, judgments, claims, damages or liabilities (or actions or proceedings in respect thereof) and expenses (including reasonable fees of counsel and any amounts paid in settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed if such settlement is solely with respect to monetary damages), jointly or severally, directly or indirectly, based upon or arising out of (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Registrable Securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein or used in connection with the offering of securities covered thereby, or any amendment or supplement thereto, or any documents incorporated by reference therein, or any "free writing prospectus," as such term is defined in Rule 405 under the Securities Act, utilized in connection with any related offering, (ii) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading or (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein; and the Company will reimburse each such indemnified party for any legal or any other expenses reasonably incurred by them in connection with enforcing its rights hereunder or under the underwriting agreement entered into in connection with such offering or

investigating, preparing, pursuing or defending any such loss, claim, damage, liability, action or proceeding as such expenses are incurred, except insofar as any such loss, penalty, fine, lien, judgment, claim, damage, liability, action, proceeding or expense arises out of or is based upon an untrue statement of a material fact or omission of a material fact made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement, document incorporated by reference therein or "free writing prospectus" utilized in connection with any related offering in reliance upon and in conformity with written information furnished to the Company by such holder expressly for use in the preparation thereof in accordance with the second sentence of Section 6.2. Such indemnity shall remain in full force and effect, regardless of any investigation made by such indemnified party and shall survive the transfer of such Registrable Securities by such seller.

6.2. Indemnification by the Sellers. The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 1, that the Company shall have received an undertaking satisfactory to it from each of the prospective sellers of such Registrable Securities to indemnify and hold harmless, severally, not jointly, in the same manner and to the same extent as set forth in Section 6.1, the Company, its directors, officers, employees, agents and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company, with respect to any statement of a material fact or alleged statement of a material fact in or omission of a material fact or alleged omission of a material fact from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or any "free writing prospectus" utilized in connection with any related offering, but only to the extent such statement or alleged statement or such omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such seller expressly for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement or "free writing prospectus". The Company and the holders of the Registrable Securities in their capacities as stockholders and/or controlling persons hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such holders, the only information furnished or to be furnished to the Company for use in any registration statement or prospectus relating to the Registrable Securities or in any amendment, supplement or preliminary materials associated therewith or any "free writing prospectus" related thereto are statements specifically relating to (a) transactions between such holder and its Affiliates, on the one hand, and the Company, on the other hand, (b) the beneficial ownership of shares of Common Stock by such holder and its Affiliates and (c) the name and address of such holder. If any additional information about such holder or the plan of distribution (other than for an underwritten offering) is required by law to be disclosed in any such document, then such holder shall not unreasonably withhold its agreement referred to in the immediately preceding sentence of this Section 6.2. Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling person and shall survive the transfer of such Registrable Securities by such seller. The indemnity agreement contained in this Section 6.2 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of such seller (which consent shall not be unreasonably withheld or delayed if such settlement is solely with respect to monetary damages). The indemnity provided by each seller of Registrable Securities under this Section

6.2 shall be limited in amount to the net amount of proceeds (i.e., net of expenses, underwriting discounts and commissions) actually received by such seller from the sale of Registrable Securities pursuant to such registration statement.

6.3. Notices of Claims, etc. Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding paragraphs of this Section 6, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the indemnifying party of the commencement of such action or proceeding; provided that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 6, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, the indemnifying party shall be entitled to participate therein and to assume the defense thereof, jointly with any other indemnifying party similarly notified, to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof except for the reasonable fees and expenses of any counsel retained by such indemnified party to monitor such action or proceeding. Notwithstanding the foregoing, if such indemnified party reasonably determines, based upon advice of independent counsel, that a conflict of interest may exist between the indemnified party and the indemnifying party with respect to such action and that it is advisable for such indemnified party to be represented by separate counsel, such indemnified party may retain other counsel, reasonably satisfactory to the indemnifying party, to represent such indemnified party, and the indemnifying party shall pay all reasonable fees and expenses of such counsel. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of such indemnified party, which consent shall not be unreasonably withheld, consent to entry of any judgment or enter into any settlement unless such judgment, compromise or settlement (A) includes as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation, (B) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party, and (C) does not require any action other than the payment of money by the indemnifying party.

6.4. Other Indemnification. Indemnification similar to that specified in the preceding paragraphs of this Section 6 (with appropriate modifications) shall be given by the Company and each seller of Registrable Securities with respect to any required registration (other than under the Securities Act) or other qualification of such Registrable Securities under any federal or state law or regulation of any governmental authority.

6.5. Indemnification Payments. Any indemnification required to be made by an indemnifying party pursuant to this Section 6 shall be made by periodic payments to the indemnified party during the course of the action or proceeding, as and when bills are received by such indemnifying party with respect to an indemnifiable loss, penalty, fine, lien, judgment, claim, damage, liability or expense incurred by such indemnified party.

6.6. Other Remedies. If for any reason any indemnification specified in the preceding paragraphs of this Section 6 is unavailable, or is insufficient to hold harmless an indemnified party, other than by reason of the exceptions provided therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, penalties, fines, liens, judgments, claims, damages, liabilities, actions, proceedings or expenses in such proportion as is appropriate to reflect the relative benefits to and faults of the indemnifying party on the one hand and the indemnified party on the other and the statements or omissions or alleged statements or omissions which resulted in such loss, penalty, fine, lien, judgment, claim, damage, liability, action, proceeding or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statements or omissions. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 6.6 were to be determined by *pro rata* allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the preceding sentence of this Section 6.6. 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. Notwithstanding the other provisions of this Section 6, in respect of any claim for indemnification pursuant to this Section 6, no indemnifying party (other than the Company) shall be required to contribute pursuant to this Section 6.6 any amount in excess of (a) the net proceeds (i.e., net of expenses, underwriting discounts and commissions) received and retained by such indemnifying party from the sale of its Registrable Securities covered by the applicable registration statement, preliminary prospectus, final prospectus, or supplement or amendment thereto, filed pursuant hereto minus (b) any amounts previously paid by such indemnifying party pursuant to this Section 6 in respect of such claim, it being understood that insofar as such net proceeds have been distributed by any indemnifying party to its partners, stockholders or members, the amount of such indemnifying party's contribution hereunder shall be limited to the net proceeds which it actually recovers from its partners, stockholders or members based upon their relative fault and that to the extent that such indemnifying party has not distributed such net proceeds, the amount such indemnifying party's contribution hereunder shall be limited by the percentage of such net proceeds which corresponds to the percentage equity interests in such indemnifying party held by those of its partners, stockholders or members who have been determined to be at fault. No party shall be liable for contribution under this Section 6.6 except to the extent and under such circumstances as such party would have been liable for indemnification under this Section 6 if such indemnification were enforceable under applicable law.

Section 7. Representations and Warranties. Each Management Stockholder represents and warrants to the Company that:

(a) such Management Stockholder has the power, authority and capacity (or, in the case of any Management Stockholder that is a corporation, limited liability company or limited partnership, all corporate, limited liability



company or limited partnership power and authority, as the case may be) to execute, deliver and perform this Agreement;

(b) in the case of a Management Stockholder that is a corporation, limited liability company or limited partnership, the execution, delivery and performance of this Agreement by such Management Stockholder has been duly and validly authorized and approved by all necessary corporate, limited liability company or limited partnership action, as the case may be;

(c) this Agreement has been duly and validly executed and delivered by such Management Stockholder and constitutes a valid and legally binding obligation of such Management Stockholder, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors' rights generally and general principles of equity; and

(d) the execution, delivery and performance of this Agreement by such Management Stockholder does not and will not violate the terms of or result in the acceleration of any obligation under (i) any material contract, commitment or other material instrument to which such Management Stockholder is a party or by which such Management Stockholder is bound or (ii) in the case of a Management Stockholder that is a corporation, limited liability company or limited partnership, the certificate of incorporation, certificate of formation, certificate of limited partnership, by-laws, limited liability company agreement or limited partnership agreement, as the case may be.

Section 8. Definitions. For purposes of this Agreement, the following terms shall have the following respective meanings:

“Affiliate”: a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

“Board”: the board of directors of the Company.

“Commission”: the Securities and Exchange Commission.

“Common Stock”: the common stock of the Company, par value \$.01 per share, now or hereafter authorized to be issued, and any and all securities of any kind whatsoever of the Company or any successor thereof (such securities, “Convertible Securities”) which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of shares of Common Stock pursuant to a merger, consolidation, stock split, reverse split, stock dividend, recapitalization of the Company or otherwise.

“Exchange Act”: the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

“Investor Stockholders”: each of Coffeyville Acquisition LLC, a Delaware limited liability company, and Coffeyville Acquisition II LLC, a Delaware limited liability company, for so long as such entity holds shares of Common Stock.

“IPO”: the initial public offering of Common Stock.

“Majority Holders”: the holders of at least 51% of the Registrable Securities that are participating in the registration at issue.

“Majority Voting Holders”: the holders of at least 51% of the Registrable Securities.

“NASD”: National Association of Securities Dealers, Inc.

“NASDAQ”: the Nasdaq National Market.

“Person”: an individual, corporation, partnership, limited liability company, joint venture, business association, trust or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Registrable Securities”: the shares of Common Stock Beneficially Owned by the Investor Stockholders, the Management Stockholders or the Permitted Transferees (as such term is defined in Section 9.2), as applicable, except for any shares of Common Stock Beneficially Owned by a Management Stockholder that (i) were issued to such Management Stockholder pursuant to an effective registration statement under the Securities Act on Form S-8 or (ii) may be sold by such Management Stockholder pursuant to Rule 144 under the Securities Act, which shares of Common Stock Beneficially Owned by a Management Stockholder shall not be Registrable Securities. For purposes of this Agreement, a Person will be deemed to “Beneficially Own” or “hold” Registrable Securities whenever such Person has the right to acquire, directly or indirectly, such Registrable Securities (upon conversion, exercise or exchange of any Convertible Securities but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such Person shall not be required to convert, exercise or exchange such Convertible Security (or otherwise acquire such Registrable Security) to participate in any registered offering hereunder prior to the closing of such offering. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) a registration statement on Form S-8 with respect to the sale of such securities shall have become effective under the Securities Act, (iii) such securities shall have been sold to the public pursuant to Rule 144 under the Securities Act, or (iv) such securities shall have ceased to be outstanding. Any and all shares of Common Stock which may be issued in respect of, in exchange for, upon conversion of, or in substitution for any Registrable Securities, whether by reason of any stock split, stock dividend, reverse stock split, recapitalization, combination, merger, consolidation or otherwise, shall also be “Registrable Securities” hereunder.

“Registration Expenses”: all fees and expenses incurred in connection with the Company’s performance of or compliance with any registration pursuant to this Agreement, including, without limitation, (i) registration, filing and applicable Commission and NASD fees, (ii) fees and expenses of complying with securities or blue sky laws, (iii) fees and expenses associated with listing securities on an exchange or NASDAQ, (iv) word processing, duplicating and printing expenses, (v) messenger and delivery expenses, (vi) transfer agents’, trustees’, depositories’, registrars’ and fiscal agents’ fees, (vii) fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits or “cold comfort” letters required by, or incident to, such registration and (viii) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding underwriting discounts and commissions and transfer taxes, if any.

“Securities Act”: the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

Section 9. Miscellaneous.

9.1. Rule 144, etc. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act relating to any class of equity securities, the Company shall file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder, and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such rule may be amended from time to time, or (b) any successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities, the Company shall deliver to such holder a written statement as to whether it has complied with such requirements, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents as such holder may reasonably request in order to avail itself of any rule or regulation of the Commission allowing it to sell any Registrable Securities without registration.

9.2. Successors, Assigns and Transferees. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective permitted successors, personal representatives and assigns under this Section 9.2. The Company may not assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the Majority Voting Holders. The provisions of this Agreement which are for the benefit of a holder of Registrable Securities shall be for the benefit of and enforceable by any transferee of such Registrable Securities. Any holder of Registrable Securities may, at its election and at any time or from time to time, assign its rights under this Agreement, in whole or in part, to any Person to whom such holder sells, assigns or otherwise transfers its shares of Registrable Securities; provided that (i) such transferee acquires such Registrable Securities in accordance with any then applicable transfer restrictions in respect of such Registrable Securities and (ii) no such assignment shall be binding upon or obligate the Company to any such transferee unless and until such transferee executes a joinder agreement agreeing to be bound by

all of the transferor's obligations hereunder, including, without limitation, Section 4 hereof, copies of which shall have been delivered to the Company (each such transferee, a "**Permitted Transferee**"). Notwithstanding anything herein to the contrary, the Management Stockholders must exercise all rights hereunder on behalf of any of their Permitted Transferees and all other parties shall be entitled to deal exclusively with the Management Stockholders and rely on the consent, waiver or any other action by the Management Stockholders as the consent, waiver or other action, as the case may be, of any such Permitted Transferees of such Management Stockholders.

9.3. Stock Splits, etc. Each holder of Registrable Securities agrees that it will vote to effect a stock split, reverse stock split, recapitalization or combination with respect to any Registrable Securities in connection with any registration of any Registrable Securities hereunder, or otherwise, if (i) the managing underwriter shall advise the Company in writing (or, in connection with an offering that is not underwritten, if an investment banker shall advise the Company in writing) that in its opinion such a stock split, reverse stock split, recapitalization or combination would facilitate or increase the likelihood of success of the offering, and (ii) such stock split, reverse stock split, recapitalization or combination does not impact the respective ownership percentages of each such holder of Registrable Securities in the Company. The Company shall cooperate in all respects in effecting any such stock split, reverse stock split, recapitalization or combination.

9.4. Amendment and Modification. This Agreement may be amended, waived, modified or supplemented by the Company only with the prior written consent of each of the Company and a majority (by number of shares) of any other holders of Registrable Securities whose interests would be adversely affected by such amendment, waiver modification or supplement; provided that the interests of any existing holders of Registrable Securities shall not be adversely affected by an amendment, waiver, modification or settlement of this Agreement that provides for or has the effect of providing for an additional grant of incidental registration rights with a lower or the same priority as the rights held by such existing holders of Registrable Securities, as long as any such grant of incidental registration rights with the same priority are *pari passu* with those held by such existing holders of Registrable Securities. Each holder of Registrable Securities shall be bound by any such amendment, waiver, modification or supplement authorized in accordance with this Section 9.4, whether or not such Registrable Securities shall have been marked to indicate such amendment, waiver, modification or supplement. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The execution of a counterpart signature page to this Agreement by a Permitted Transferee pursuant to Section 9.2 shall not require consent of any party hereto and shall not be deemed an amendment to this Agreement.

9.5. Governing Law; Venue and Service of Process. This Agreement and the rights and obligations of the parties hereunder and the Persons subject hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of Delaware, without giving effect to the choice of law principles thereof. By execution and delivery of this Agreement, each of the parties hereto hereby irrevocably and unconditionally (i) consents to submit to the exclusive jurisdiction of the courts of the State of New York in New York County and the United States District Court for the Southern District of New York (collectively, the "Selected Courts") for any action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby, and agrees not to commence any action or proceeding relating thereto except in the Selected Courts, provided, that, a party may commence any action or proceeding in a court other than a Selected Court solely for the purpose of enforcing an order or judgment issued by one of the Selected Courts; (ii) consents to service of any process, summons, notice or document in any action or proceeding by registered first-class mail, postage prepaid, return receipt requested or by nationally recognized courier guaranteeing overnight delivery in accordance with Section 9.8 hereof and agrees that such service of process shall be effective service of process for any action or proceeding brought against it in any such court, provided, that, nothing herein shall affect the right of any party hereto to serve process in any other manner permitted by law; (iii) waives any objection to the laying of venue of any action or proceeding arising out of this Agreement or the transactions contemplated hereby in the Selected Courts; and (iv) waives and agrees not to plead or claim in any court that any such action or proceeding brought in any such Selected Court has been brought in an inconvenient forum.

9.6. Invalidity of Provision. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

9.7. Notices. All notices, requests, demands, letters, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows:

- (i) If to the Company, to it at:
  - 10 E. Cambridge Circle, Ste. 250
  - Kansas City, Kansas 66103
  - Attention: Edmund S. Gross
  - Facsimile No.: 913-981-0000

with copies (which shall not constitute notice) to:

- GS Capital Partners V Fund, L.P.
- c/o Goldman, Sachs & Co.
- 85 Broad Street

New York, New York 10004  
Attention: Kenneth Pontarelli  
Facsimile No.: 212-357-5505

Kelso & Company, L.P.  
320 Park Avenue, 24th Floor  
New York, New York 10022  
Attention: General Counsel  
Facsimile No.: 212-223-2379

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, New York 10004  
Attention: Robert C. Schwenkel  
Steven Steinman  
Facsimile No.: (212) 859-4000

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Kevin M. Schmidt  
Facsimile No.: (212) 909-6836

(ii) If to a Management Stockholder, as provided on Schedule A hereof.

or to such other Person or address as any party shall specify by notice in writing to the Company. All such notices, requests, demands, letters, waivers and other communications shall be deemed to have been received (w) if by personal delivery, at the time delivered by hand (x) if by certified or registered mail, on the fifth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered, or (z) if by fax, on the day delivered; provided that such delivery is confirmed.

9.8. Headings: Execution in Counterparts. The headings and captions contained herein are for convenience and shall not control or affect the meaning or construction of any provision hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same instrument.

9.9. Injunctive Relief. Each of the parties recognizes and agrees that money damages may be insufficient and, therefore, in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which such party may have.

9.10. Term. This Agreement shall be effective as of the date hereof and shall continue in effect thereafter until the earlier of (a) its termination by the written consent of the parties hereto or their respective successors in interest and (b) the date on which no Registrable Securities remain outstanding.

9.11. Further Assurances. Subject to the specific terms of this Agreement, each of the Company and the Management Stockholders shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby.

9.12. Entire Agreement. This Agreement and any agreements entered into in connection with this Agreement constitute the entire agreement and the understanding of the parties hereto with respect to the matters referred to herein. This Agreement and the agreements referred to in the preceding sentence supersede all prior agreements and understandings between the parties with respect to such matters.

9.13. No Third Party Beneficiaries. Except as otherwise provided herein, this Agreement is not intended to, and does not, confer upon any Person, except for the parties hereto, any rights or remedies hereunder.

*[Signature page follows]*

IN WITNESS WHEREOF this Agreement has been signed by each of the parties hereto, and shall be effective as of the date first above written.

CVR ENERGY, INC.

By: /s/ James T. Rens

Name: James T. Rens

Title: Chief Financial Officer and Treasurer

/s/ John J. Lipinski

John J. Lipinski

*[Signature page to Management Registration Rights Agreement]*

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Schedule A

**Management Stockholders**

John J. Lipinski  
2277 Plaza Drive  
Suite 500  
SugarLand, Tx 77479  
Facsimile No.: (281) 207-7747

**AMENDMENT NUMBER 2  
TO EMPLOYMENT AGREEMENT**

AMENDMENT NUMBER 2 TO EMPLOYMENT AGREEMENT, dated as of October 16, 2007, by and between Coffeyville Resources, LLC, a Delaware limited liability company (the "Company"), and John J. Lipinski (the "Executive").

WHEREAS, the Company and the Executive entered into an employment agreement dated as of July 12, 2005, and amended as of December 13, 2006 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive desire to amend the Employment Agreement with respect to Section 7 thereof.

NOW THEREFORE, the parties hereby agree to amend the Employment Agreement as follows:

1. Section 7 is hereby deleted in its entirety and replaced with the following:

Section 7. Effect of Section 280G of the Internal Revenue Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments

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without the application of an Excise Tax. If the Payments are so reduced, then unless the Executive shall have given prior written notice to the Company specifying a different order by which to effectuate the reduction, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time. Any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination") together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

2. In all other respects the Employment Agreement shall remain in effect and is hereby confirmed by the parties.

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IN WITNESS WHEREOF, the parties have executed this Amendment Number 2 to Employment Agreement as of the date first written above.

COFFEYVILLE RESOURCES, LLC

/s/ John J. Lipinski  
John J. Lipinski

By: /s/ James T. Rens  
Name: James T. Rens  
Title: Chief Financial Officer

*[Signature Page to Amendment Number 2 to Employment Agreement]*

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**AMENDMENT NUMBER 2  
TO EMPLOYMENT AGREEMENT**

AMENDMENT NUMBER 2 TO EMPLOYMENT AGREEMENT, dated as of October 16, 2007, by and between Coffeyville Resources, LLC, a Delaware limited liability company (the "Company"), and Stanley A. Riemann (the "Executive").

WHEREAS, the Company and the Executive entered into an employment agreement dated as of July 12, 2005, and amended as of December 13, 2006 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive desire to amend the Employment Agreement with respect to Section 7 thereof.

NOW THEREFORE, the parties hereby agree to amend the Employment Agreement as follows:

1. Section 7 is hereby deleted in its entirety and replaced with the following:

Section 7. Effect of Section 280G of the Internal Revenue Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments

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without the application of an Excise Tax. If the Payments are so reduced, then unless the Executive shall have given prior written notice to the Company specifying a different order by which to effectuate the reduction, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time. Any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

2. In all other respects the Employment Agreement shall remain in effect and is hereby confirmed by the parties.

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IN WITNESS WHEREOF, the parties have executed this Amendment Number 2 to Employment Agreement as of the date first written above.

COFFEYVILLE RESOURCES, LLC

/s/ Stanley A. Riemann

Stanley A. Riemann

By:

/s/ John J. Lipinski

Name: John J. Lipinski

Title: Chief Executive Officer

*[Signature Page to Amendment Number 2 to Employment Agreement]*

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**AMENDMENT NUMBER 2  
TO EMPLOYMENT AGREEMENT**

AMENDMENT NUMBER 2 TO EMPLOYMENT AGREEMENT, dated as of October 16, 2007, by and between Coffeyville Resources, LLC, a Delaware limited liability company (the "Company"), and James T. Rens (the "Executive").

WHEREAS, the Company and the Executive entered into an employment agreement dated as of July 12, 2005, and amended as of December 13, 2006 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive desire to amend the Employment Agreement with respect to Section 7 thereof.

NOW THEREFORE, the parties hereby agree to amend the Employment Agreement as follows:

1. Section 7 is hereby deleted in its entirety and replaced with the following:

Section 7. Effect of Section 280G of the Internal Revenue Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments

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without the application of an Excise Tax. If the Payments are so reduced, then unless the Executive shall have given prior written notice to the Company specifying a different order by which to effectuate the reduction, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time. Any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

2. In all other respects the Employment Agreement shall remain in effect and is hereby confirmed by the parties.

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IN WITNESS WHEREOF, the parties have executed this Amendment Number 2 to Employment Agreement as of the date first written above.

COFFEYVILLE RESOURCES, LLC

/s/ James T. Rens  
James T. Rens

By: /s/ John J. Lipinski  
Name: John J. Lipinski  
Title: Chief Executive Officer

*[Signature Page to Amendment Number 2 to Employment Agreement]*

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**AMENDMENT NUMBER 2  
TO EMPLOYMENT AGREEMENT**

AMENDMENT NUMBER 2 TO EMPLOYMENT AGREEMENT, dated as of October 16, 2007, by and between Coffeyville Resources, LLC, a Delaware limited liability company (the "Company"), and Robert W. Haugen (the "Executive").

WHEREAS, the Company and the Executive entered into an employment agreement dated as of July 12, 2005, and amended as of December 13, 2006 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive desire to amend the Employment Agreement with respect to Section 7 thereof.

NOW THEREFORE, the parties hereby agree to amend the Employment Agreement as follows:

1. Section 7 is hereby deleted in its entirety and replaced with the following:

Section 7. Effect of Section 280G of the Internal Revenue Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments

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without the application of an Excise Tax. If the Payments are so reduced, then unless the Executive shall have given prior written notice to the Company specifying a different order by which to effectuate the reduction, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time. Any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination") together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

2. In all other respects the Employment Agreement shall remain in effect and is hereby confirmed by the parties.

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IN WITNESS WHEREOF, the parties have executed this Amendment Number 2 to Employment Agreement as of the date first written above.

COFFEYVILLE RESOURCES, LLC

/s/ Robert W. Haugen  
Robert W. Haugen

By: /s/ John J. Lipinski  
Name: John J. Lipinski  
Title: Chief Executive Officer

*[Signature Page to Amendment Number 2 to Employment Agreement]*

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**AMENDMENT NUMBER 2  
TO EMPLOYMENT AGREEMENT**

AMENDMENT NUMBER 2 TO EMPLOYMENT AGREEMENT, dated as of October 16, 2007, by and between Coffeyville Resources, LLC, a Delaware limited liability company (the "Company"), and Wyatt E. Jernigan (the "Executive").

WHEREAS, the Company and the Executive entered into an employment agreement dated as of July 12, 2005, and amended as of December 13, 2006 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive desire to amend the Employment Agreement with respect to Section 7 thereof.

NOW THEREFORE, the parties hereby agree to amend the Employment Agreement as follows:

1. Section 7 is hereby deleted in its entirety and replaced with the following:

Section 7. Effect of Section 280G of the Internal Revenue Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less \$1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments

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without the application of an Excise Tax. If the Payments are so reduced, then unless the Executive shall have given prior written notice to the Company specifying a different order by which to effectuate the reduction, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time. Any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

2. In all other respects the Employment Agreement shall remain in effect and is hereby confirmed by the parties.

---

IN WITNESS WHEREOF, the parties have executed this Amendment Number 2 to Employment Agreement as of the date first written above.

COFFEYVILLE RESOURCES, LLC

/s/ Wyatt E. Jernigan  
Wyatt E. Jernigan

By: /s/ John J. Lipinski  
Name: John J. Lipinski  
Title: Chief Financial Officer

*[Signature Page to Amendment Number 2 to Employment Agreement]*



## CERTIFICATION

I, John J. Lipinski, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CVR Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ John J. Lipinski  
John J. Lipinski  
Chief Executive Officer

Date: December 6, 2007

## CERTIFICATION

I, James T. Rens, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CVR Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ James T. Rens  
James T. Rens  
Chief Financial Officer

Date: December 6, 2007

**CERTIFICATION PURSUANT TO 18 U.S.C. §1350,  
AS ADOPTED PURSUANT TO §906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the filing of the Quarterly Report on Form 10-Q of CVR Energy, Inc., a Delaware corporation (the "Company"), for the period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

By: /s/ John J. Lipinski  
John J. Lipinski  
Chief Executive Officer

By: /s/ James T. Rens  
James T. Rens  
Chief Financial Officer

Date: December 6, 2007

**RISK FACTORS**

*You should carefully consider each of the following risks and all of the information set forth in the Company's filings with the Securities and Exchange Commission (the "SEC") before deciding to invest in our common stock. If any of the following risks and uncertainties develops into actual events, our business, financial condition or results of operations could be materially adversely affected. In that case, the price of our common stock could decline and you could lose part or all of your investment.*

**Risks Related to Our Petroleum Business*****Volatile margins in the refining industry may cause volatility or a decline in our future results of operations and decrease our cash flow.***

Our petroleum business' financial results are primarily affected by the relationship, or margin, between refined product prices and the prices for crude oil and other feedstocks. Future volatility in refining industry margins may cause volatility or a decline in our results of operations, since the margin between refined product prices and feedstock prices may decrease below the amount needed for us to generate net cash flow sufficient for our needs. Although an increase or decrease in the price for crude oil generally results in a similar increase or decrease in prices for refined products, there is normally a time lag in the realization of the similar increase or decrease in prices for refined products. The effect of changes in crude oil prices on our results of operations therefore depends in part on how quickly and how fully refined product prices adjust to reflect these changes. A substantial or prolonged increase in crude oil prices without a corresponding increase in refined product prices, or a substantial or prolonged decrease in refined product prices without a corresponding decrease in crude oil prices, could have a significant negative impact on our earnings, results of operations and cash flows.

***If we are required to obtain our crude oil supply without the benefit of our credit intermediation agreement, our exposure to the risks associated with volatile crude prices may increase and our liquidity may be reduced.***

We currently obtain the majority of our crude oil supply through a crude oil credit intermediation agreement with J. Aron, which minimizes the amount of in transit inventory and mitigates crude pricing risks by ensuring pricing takes place extremely close to the time when the crude is refined and the yielded products are sold. In the event this agreement is terminated or is not renewed prior to expiration we may be unable to obtain similar services from another party at the same or better terms as our existing agreement. The current credit intermediation agreement expires on December 31, 2007. Further, if we were required to obtain our crude oil supply without the benefit of an intermediation agreement, our exposure to crude pricing risks may increase, even despite any hedging activity in which we may engage, and our liquidity would be negatively impacted due to the increased inventory and the negative impact of market volatility.

***Disruption of our ability to obtain an adequate supply of crude oil could reduce our liquidity and increase our costs.***

Our refinery requires approximately 80,000 bpd of crude oil in addition to the light sweet crude oil we gather locally in Kansas and northern Oklahoma. We obtain a significant amount of our non-gathered crude oil, approximately 20% to 30% on average, from Latin America and South America. If these supplies become unavailable to us, we may need to seek supplies from the Middle East, West Africa, Canada and the North Sea. We are subject to the political, geographic, and economic risks attendant to doing business with suppliers located in those regions. Disruption of production in any of such regions for any reason could have a material impact on other regions and our business. In the event that one or more of our traditional suppliers becomes unavailable to us, we may be unable to obtain an adequate supply of crude oil, or we may only be able to obtain our crude oil supply at unfavorable prices. As a result, we may experience a reduction in our liquidity and our results of operations could be materially adversely affected.

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The key event of 2005 in our industry was the hurricane season which produced a record number of named storms, including hurricanes Katrina and Rita. The location and intensity of these storms caused extreme amounts of damage to both crude and natural gas production as well as extensive disruption to many U.S. Gulf Coast refinery operations although we believe that substantially most of this refining capacity has been restored. These events caused both price spikes in the commodity markets as well as substantial increases in crack spreads. Severe weather, including hurricanes along the U.S. Gulf Coast, could interrupt our supply of crude oil. Supplies of crude oil to our refinery are periodically shipped from U.S. Gulf Coast production or terminal facilities, including through the Seaway Pipeline from the U.S. Gulf Coast to Cushing, Oklahoma. U.S. Gulf Coast facilities could be subject to damage or production interruption from hurricanes or other severe weather in the future which could interrupt or materially adversely affect our crude oil supply. If our supply of crude oil is interrupted, our business, financial condition and results of operations could be materially adversely impacted.

***Our profitability is linked to the light/heavy and sweet/sour crude oil price spreads. In 2005 and 2006 the light/heavy crude oil price spread increased significantly. A decrease in either of the spreads would negatively impact our profitability.***

Our profitability is linked to the price spreads between light and heavy crude oil and sweet and sour crude oil within our plant capabilities. We prefer to refine heavier sour crude oils because they have historically provided wider refining margins than light sweet crude. Accordingly, any tightening of the light/heavy or sweet/sour spreads could reduce our profitability. During 2005 and 2006, relatively high demand for lighter sweet crude due to increasing demand for more highly refined fuels resulted in an attractive light/heavy crude oil price spread and an improved sweet/sour spread compared to 2004. Countries with less complex refining capacity than the United States and Europe continue to require large volumes of light sweet crude in order to meet their demand for transportation fuels. Crude oil prices may not remain at current levels and the light/heavy or sweet/sour spread may decline, which could result in a decline in profitability or operating losses.

***The new and redesigned equipment in our facilities may not perform according to expectations, which may cause unexpected maintenance and downtime and could have a negative effect on our future results of operations and financial condition.***

We have recently upgraded all of the units in our refinery by installing new equipment and redesigning older equipment to improve refinery capacity. The installation and redesign of key equipment involves significant risks and uncertainties, including the following:

- our upgraded equipment may not perform at expected throughput levels;
- the yield and product quality of new equipment may differ from design; and
- redesign or modification of the equipment may be required to correct equipment that does not perform as expected, which could require facility shutdowns until the equipment has been redesigned or modified.

We have also repaired certain of our equipment as a result of the flood. This repaired equipment is subject to similar risks and uncertainties as described above. Any of these risks associated with new equipment, redesigned older equipment, or repaired equipment could lead to lower revenues or higher costs or otherwise have a negative impact on our future results of operations and financial condition.

***If our access to the pipelines on which we rely for the supply of our feedstock and the distribution of our products is interrupted, our inventory and costs may increase and we may be unable to efficiently distribute our products.***

If one of the pipelines on which we rely for supply of our crude oil becomes inoperative, we would be required to obtain crude oil for our refinery through an alternative pipeline or from additional tanker trucks, which could increase our costs and result in lower production levels and profitability. Similarly, if a major refined fuels pipeline becomes inoperative, we would be required to keep refined fuels in inventory or supply refined fuels to our customers through an alternative pipeline or by additional tanker trucks from the refinery, which could increase our costs and result in a decline in profitability.

***Our petroleum business' financial results are seasonal and generally lower in the first and fourth quarters of the year, which may cause volatility in the price of our common stock.***

Demand for gasoline products is generally higher during the summer months than during the winter months due to seasonal increases in highway traffic and road construction work. As a result, our results of operations for the first and fourth calendar quarters are generally lower than for those for the second and third quarters, which may cause volatility in the price of our common stock. Further, reduced agricultural work during the winter months somewhat depresses demand for diesel fuel in the winter months. In addition to the overall seasonality of our business, unseasonably cool weather in the summer months and/or unseasonably warm weather in the winter months in the markets in which we sell our petroleum products could have the effect of reducing demand for gasoline and diesel fuel which could result in lower prices and reduce operating margins.

***We face significant competition, both within and outside of our industry. Competitors who produce their own supply of feedstocks, have extensive retail outlets, make alternative fuels or have greater financial resources than we do may have a competitive advantage over us.***

The refining industry is highly competitive with respect to both feedstock supply and refined product markets. We may be unable to compete effectively with our competitors within and outside of our industry, which could result in reduced profitability. We compete with numerous other companies for available supplies of crude oil and other feedstocks and for outlets for our refined products. We are not engaged in the petroleum exploration and production business and therefore we do not produce any of our crude oil feedstocks. We do not have a retail business and therefore are dependent upon others for outlets for our refined products. We do not have any long-term arrangements for much of our output. Many of our competitors in the United States as a whole, and one of our regional competitors, obtain significant portions of their feedstocks from company-owned production and have extensive retail outlets. Competitors that have their own production or extensive retail outlets with brand-name recognition are at times able to offset losses from refining operations with profits from producing or retailing operations, and may be better positioned to withstand periods of depressed refining margins or feedstock shortages. A number of our competitors also have materially greater financial and other resources than us, providing them the ability to add incremental capacity in environments of high crack spreads. These competitors have a greater ability to bear the economic risks inherent in all phases of the refining industry. An expansion or upgrade of our competitors' facilities, price volatility, international political and economic developments and other factors are likely to continue to play an important role in refining industry economics and may add additional competitive pressure on us. In addition, we compete with other industries that provide alternative means to satisfy the energy and fuel requirements of our industrial, commercial and individual consumers. The more successful these alternatives become as a result of governmental regulations, technological advances, consumer demand, improved pricing or otherwise, the greater the impact on pricing and demand for our products and our profitability. There are presently significant governmental and consumer pressures to increase the use of alternative fuels in the United States.

***Environmental laws and regulations will require us to make substantial capital expenditures in the future.***

Current or future federal, state and local environmental laws and regulations could cause us to expend substantial amounts to install controls or make operational changes to comply with environmental requirements. In addition, future environmental laws and regulations, or new interpretations of existing laws or regulations, could limit our ability to market and sell our products to end users. Any such future environmental laws or governmental regulations could have a material impact on the results of our operations.

In March 2004, we entered into a Consent Decree with the United States Environmental Protection Agency, or the EPA, and the Kansas Department of Health and Environment, or the KDHE, to address certain allegations of Clean Air Act violations by Farmland at the Coffeyville oil refinery in order to reduce environmental risks and liabilities going forward. Pursuant to the Consent Decree, in the short-term, we have increased the use of catalyst additives to the fluid catalytic cracking unit at the facility to reduce emissions of sulfur dioxide, or SO<sub>2</sub>. We will begin adding catalyst to reduce oxides of nitrogen, or NO<sub>x</sub>, in 2008. A catalyst is a substance that alters, accelerates or instigates chemical changes, but is neither produced, consumed nor altered in the process. In the long term, we will install controls to minimize both SO<sub>2</sub> and NO<sub>x</sub> emissions, which under the terms of the Consent Decree require

that final controls be in place by January 1, 2011. In addition, pursuant to the Consent Decree, we assumed certain cleanup obligations at our Coffeyville refinery and Phillipsburg terminal, and we agreed to retrofit some heaters at the refinery with Ultra Low NOx burners. All heater retrofits have been performed and we are currently verifying that the heaters meet the Ultra Low NOx standards required by the Consent Decree. The Ultra Low NOx heater technology is in widespread use throughout the industry. There are other permitting, monitoring, recordkeeping and reporting requirements associated with the Consent Decree, and we are required to provide periodic reports on our compliance with the terms and conditions of the Consent Decree. The overall costs of complying with the Consent Decree over the next four years are expected to be approximately \$41 million. To date, we have met all deadlines and requirements of the Consent Decree and we have not had to pay any stipulated penalties, which are required to be paid for failure to comply with various terms and conditions of the Consent Decree. Availability of equipment and technology performance, as well as EPA interpretations of provisions of the Consent Decree that differ from ours, could have a material adverse effect on our ability to meet the requirements imposed by the Consent Decree.

We will incur capital expenditures over the next several years in order to comply with regulations under the Clean Air Act establishing stringent low sulfur content specifications for our petroleum products, including the Tier II gasoline standards, as well as regulations with respect to on- and off-road diesel fuel, which are designed to reduce air emissions from the use of these products. In February 2004, the EPA granted us a "hardship waiver," which will require us to meet final low sulfur Tier II gasoline standards by January 1, 2011. Compliance with the Tier II gasoline standards and on-road diesel standards required us to spend approximately \$133 million during 2006 and we estimate that compliance will require us to spend approximately \$108 million in 2007 and approximately \$57 million between 2008 and 2010. Changes in these laws or interpretations thereof could result in significantly greater expenditures.

On July 10, 2007, we entered into the Consent Order with the EPA. As set forth in the Consent Order, the EPA concluded that the discharge of oil from our refinery into the Verdigris River flood waters beginning on or about July 1, 2007 caused and may continue to cause an imminent and substantial threat to the public health and welfare. Pursuant to the Consent Order, we agreed to perform specific remedial actions to respond to the discharge of crude oil from our refinery. Additionally, we could be required to reimburse the EPA's costs under the federal Oil Pollution Act.

***Changes in our credit profile may affect our relationship with our suppliers, which could have a material adverse effect on our liquidity.***

Changes in our credit profile may affect the way crude oil suppliers view our ability to make payments and may induce them to shorten the payment terms of their invoices. Given the large dollar amounts and volume of our feedstock purchases, a change in payment terms may have a material adverse effect on our liquidity and our ability to make payments to our suppliers.

***We may have additional capital needs for which our internally generated cash flows and other sources of liquidity may not be adequate.***

If we cannot generate cash flow or otherwise secure sufficient liquidity to support our short-term and long-term capital requirements, we may be unable to comply with certain environmental standards or pursue our business strategies, in which case our operations may not perform as well as we currently expect. We have substantial short-term and long-term capital needs, including capital expenditures we are required to make to comply with Tier II gasoline standards, on-road diesel regulations, off-road diesel regulations and the Consent Decree. Our short-term working capital needs are primarily crude oil purchase requirements, which fluctuate with the pricing and sourcing of crude oil. We also have significant long-term needs for cash, including deferred payments owed under the Cash Flow Swap and debt repayment obligations. We currently estimate that mandatory capital and turnaround expenditures, excluding the non-recurring capital expenditures required to comply with Tier II gasoline standards, on-road diesel regulations, off-road diesel regulations and the Consent Decree described above, will average approximately \$64 million per year over the next five years.

## Risks Related to the Nitrogen Fertilizer Business

***The nitrogen fertilizer plant has high fixed costs. If natural gas prices fall below a certain level, the nitrogen fertilizer business may not generate sufficient revenue to operate profitably or cover its costs.***

The nitrogen fertilizer plant has high fixed costs as discussed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Major Influences on Results of Operations — Nitrogen Fertilizer Business.” As a result, downtime or low productivity due to reduced demand, weather interruptions, equipment failures, low prices for fertilizer products or other causes can result in significant operating losses. Unlike its competitors, whose primary costs are related to the purchase of natural gas and whose fixed costs are minimal, the nitrogen fertilizer business has high fixed costs not dependent on the price of natural gas. A decline in natural gas prices generally has the effect of reducing the base sale price for fertilizer products while other fixed costs remain substantially the same. Any decline in the price of fertilizer products could have a material negative impact on our profitability and results of operations.

***The nitrogen fertilizer business is cyclical, which exposes us to potentially significant fluctuations in our financial condition and results of operations, which could result in volatility in the price of our common stock.***

A significant portion of nitrogen fertilizer product sales consists of sales of agricultural commodity products, exposing us to fluctuations in supply and demand in the agricultural industry. These fluctuations historically have had and could in the future have significant effects on prices across all nitrogen fertilizer products and, in turn, the nitrogen fertilizer business’ results of operations and financial condition, which could result in significant volatility in the price of our common stock. The prices of nitrogen fertilizer products depend on a number of factors, including general economic conditions, cyclical trends in end-user markets, supply and demand imbalances, and weather conditions, which have a greater relevance because of the seasonal nature of fertilizer application. Changes in supply result from capacity additions or reductions and from changes in inventory levels. Demand for fertilizer products is dependent, in part, on demand for crop nutrients by the global agricultural industry. Periods of high demand, high capacity utilization, and increasing operating margins have tended to result in new plant investment and increased production until supply exceeds demand, followed by periods of declining prices and declining capacity utilization until the cycle is repeated.

***Fertilizer products are global commodities, and the nitrogen fertilizer business faces intense competition from other nitrogen fertilizer producers.***

The nitrogen fertilizer business is subject to intense price competition from both U.S. and foreign sources, including competitors operating in the Persian Gulf, Asia-Pacific, the Caribbean and the former Soviet Union. Fertilizers are global commodities, with little or no product differentiation, and customers make their purchasing decisions principally on the basis of delivered price and availability of the product. The nitrogen fertilizer business competes with a number of U.S. producers and producers in other countries, including state-owned and government-subsidized entities. The United States and the European Commission each have trade regulatory measures in effect which are designed to address this type of unfair trade. Changes in these measures could have an adverse impact on the sales and profitability of the particular products involved. Some competitors have greater total resources and are less dependent on earnings from fertilizer sales, which makes them less vulnerable to industry downturns and better positioned to pursue new expansion and development opportunities. In addition, recent consolidation in the fertilizer industry has increased the resources of several competitors. In light of this industry consolidation, our competitive position could suffer to the extent the nitrogen fertilizer business is not able to expand its own resources either through investments in new or existing operations or through acquisitions, joint ventures or partnerships. An inability to compete successfully could result in the loss of customers, which could adversely affect our sales and profitability.



***Adverse weather conditions during peak fertilizer application periods may have a negative effect upon our results of operations and financial condition, as the nitrogen fertilizer business' agricultural customers are geographically concentrated.***

Sales of fertilizer products by the nitrogen fertilizer business to agricultural customers are concentrated in the Great Plains and Midwest states and are seasonal in nature. For example, the nitrogen fertilizer business generates greater net sales and operating income in the spring. Accordingly, an adverse weather pattern affecting agriculture in these regions or during this season could have a negative effect on fertilizer demand, which could, in turn, result in a decline in our net sales, lower margins and otherwise negatively affect our financial condition and results of operations. Our quarterly results may vary significantly from one year to the next due primarily to weather-related shifts in planting schedules and purchase patterns, as well as the relationship between natural gas and nitrogen fertilizer product prices.

***Our margins and results of operations may be adversely affected by the supply and price levels of pet coke and other essential raw materials.***

Pet coke is a key raw material used by the nitrogen fertilizer business in the manufacture of nitrogen fertilizer products. Increases in the price of pet coke could result in a decrease in our profit margins or results of operations. Our profitability is directly affected by the price and availability of pet coke obtained from our oil refinery and purchased from third parties. The nitrogen fertilizer business obtains the majority of the pet coke it needs from our adjacent oil refinery, and procures the remainder on the open market. The nitrogen fertilizer business is therefore sensitive to fluctuations in the price of pet coke on the open market. Pet coke prices could significantly increase in the future. In addition, the BOC air separation plant that provides oxygen, nitrogen, and compressed dry air to the nitrogen fertilizer plant's gasifier has experienced numerous short-term interruptions (one to five minute), thereby causing interruptions in the gasifier operations. The operations of the nitrogen fertilizer business require a reliable supply of raw materials. A disruption of its reliable supply could prevent it from producing its products at current levels and its reputation, customer relationships and results of operations could be materially harmed.

The nitrogen fertilizer business may not be able to maintain an adequate supply of pet coke and other essential raw materials. In addition, the nitrogen fertilizer business could experience production delays or cost increases if alternative sources of supply prove to be more expensive or difficult to obtain. If raw material costs were to increase, or if the fertilizer plant were to experience an extended interruption in the supply of raw materials, including pet coke, to its production facilities, the nitrogen fertilizer business could lose sale opportunities, damage its relationships with or lose customers, suffer lower margins, and experience other negative effects to its business, results of operations and financial condition. In addition, if natural gas prices in the United States were to decline to a level that prompts those U.S. producers who have permanently or temporarily closed production facilities to resume fertilizer production, this would likely contribute to a global supply/demand imbalance that could negatively affect our margins, results of operations and financial condition.

***Ammonia can be very volatile. If we are held liable for accidents involving ammonia that cause severe damage to property and/or injury to the environment and human health, our financial condition and the price of our common stock could decline. In addition, the costs of transporting ammonia could increase significantly in the future.***

The nitrogen fertilizer business manufactures, processes, stores, handles, distributes and transports ammonia, which is very volatile. Accidents, releases or mishandling involving ammonia could cause severe damage or injury to property, the environment and human health, as well as a possible disruption of supplies and markets. Such an event could result in civil lawsuits and regulatory enforcement proceedings, both of which could lead to significant liabilities. Any damage to persons, equipment or property or other disruption of the ability of the nitrogen fertilizer business to produce or distribute its products could result in a significant decrease in operating revenues and significant additional cost to replace or repair and insure its assets, which could negatively affect our operating results and financial condition. In addition, the nitrogen fertilizer business may incur significant losses or costs relating to the operation of railcars used for the purpose of carrying various products, including ammonia. Due to the dangerous and potentially toxic nature of the cargo, in particular ammonia on board railcars, a railcar accident may result in uncontrolled or catastrophic circumstances, including fires, explosions, and pollution. These

circumstances may result in severe damage and/or injury to property, the environment and human health. In the event of pollution, we may be strictly liable. If we are strictly liable, we could be held responsible even if we are not at fault and we complied with the laws and regulations in effect at the time. Litigation arising from accidents involving ammonia may result in our being named as a defendant in lawsuits asserting claims for large amounts of damages, which could have a material adverse effect on our financial condition and the price of our common stock.

Given the risks inherent in transporting ammonia, the costs of transporting ammonia could increase significantly in the future. Ammonia is most typically transported by railcar. A number of initiatives are underway in the railroad and chemicals industries which may result in changes to railcar design in order to minimize railway accidents involving hazardous materials. If any such design changes are implemented, or if accidents involving hazardous freight increases the insurance and other costs of railcars, freight costs of the nitrogen fertilizer business could significantly increase.

***Environmental laws and regulations could require the nitrogen fertilizer business to make substantial capital expenditures in the future.***

The nitrogen fertilizer business manufactures, processes, stores, handles, distributes and transports fertilizer products, including ammonia, that are subject to federal, state and local environmental laws and regulations. Presently existing or future environmental laws and regulations could cause the nitrogen fertilizer business to expend substantial amounts to install controls or make operational changes to comply with changes in environmental requirements. In addition, future environmental laws and regulations, or new interpretations of existing laws or regulations, could limit the ability of the nitrogen fertilizer business to market and sell its products to end users. Any such future environmental laws or governmental regulations may have a significant impact on our results of operations.

***The nitrogen fertilizer operations are dependent on a few third-party suppliers. Failure by key third-party suppliers of oxygen, nitrogen and electricity to perform in accordance with their contractual obligations may have a negative effect upon our results of operations and financial condition.***

The nitrogen fertilizer operations depend in large part on the performance of third-party suppliers, including The BOC Group, for the supply of oxygen and nitrogen, and the City of Coffeyville for the supply of electricity. The contract with The BOC Group extends through 2020 and the electricity contract extends through 2019. Should either of those two suppliers fail to perform in accordance with the existing contractual arrangements, the gasification operation would be forced to a halt. Alternative sources of supply of oxygen, nitrogen or electricity could be difficult to obtain. Any shutdown of operations at the nitrogen fertilizer business could have a material negative effect upon our results of operations and financial condition.

**Risks Related to Our Entire Business**

***Our refinery and nitrogen fertilizer facilities face operating hazards and interruptions, including unscheduled maintenance or downtime. We could face potentially significant costs to the extent these hazards or interruptions are not fully covered by our existing insurance coverage. Insurance companies that currently insure companies in the energy industry may cease to do so or may substantially increase premiums in the future.***

Our operations, located primarily in a single location, are subject to significant operating hazards and interruptions. If any of our facilities, including our refinery and nitrogen fertilizer plant, experiences a major accident or fire, is damaged by severe weather, flooding or other natural disaster, or is otherwise forced to curtail its operations or shut down, we could incur significant losses which could have a material adverse impact on our financial results. In addition, a major accident, fire, flood, crude oil discharge or other event could damage our facilities or the environment and the surrounding community or result in injuries or loss of life. If our facilities experience a major accident or fire or other event or an interruption in supply or operations, our business could be materially adversely affected if the damage or liability exceeds the amounts of business interruption, property, terrorism and other insurance that we maintain against these risks and successfully collect. As required under our existing credit facility, we maintain property and business interruption insurance capped at \$1.25 billion which is

subject to various deductibles and sub-limits for particular types of coverages (e.g., \$300 million for a loss caused by flood). In the event of a business interruption, we would not be entitled to recover our losses until the interruption exceeds 45 days in the aggregate. We are fully exposed to losses in excess of this dollar cap and the various sub-limits, or business interruption losses that occur in the 45 days of our deductible period. These losses may be material. For example, a substantial portion of our lost revenue caused by the business interruption following the flood that occurred during the weekend of June 30, 2007 cannot be claimed because it was lost in the 45 days after the flood.

If our refinery is forced to curtail its operations or shut down due to hazards or interruptions like those described above, we will still be obligated to make any required payments to J. Aron under our Cash Flow Swap. We will be required to make payments under the Cash Flow Swap if crack spreads rise above a certain level. Such payments could have a material adverse impact on our financial results if, as a result of a disruption to our operations, we are unable to sustain sufficient revenues from which we can make such payments.

The energy industry is highly capital intensive, and the entire or partial loss of individual facilities can result in significant costs to both industry participants, such as us, and their insurance carriers. In recent years, several large energy industry claims have resulted in significant increases in the level of premium costs and deductible periods for participants in the energy industry. For example, during 2005, hurricanes Katrina and Rita caused significant damage to several petroleum refineries along the U.S. Gulf Coast, in addition to numerous oil and gas production facilities and pipelines in that region. As a result of large energy industry claims, insurance companies that have historically participated in underwriting energy related facilities could discontinue that practice, or demand significantly higher premiums or deductibles to cover these facilities. Although we currently maintain significant amounts of insurance, insurance policies are subject to annual renewal. If significant changes in the number or financial solvency of insurance underwriters for the energy industry occur, we may be unable to obtain and maintain adequate insurance at reasonable cost or we might need to significantly increase our retained exposures.

Our refinery consists of a number of processing units, many of which have been in operation for a number of years. One or more of the units may require unscheduled down time for unanticipated maintenance or repairs on a more frequent basis than our scheduled turnaround of every three to four years for each unit, or our planned turnarounds may last longer than anticipated. Our nitrogen fertilizer plant may also require scheduled or unscheduled downtime for maintenance or repairs. Scheduled and unscheduled maintenance could reduce our net income during the period of time that any of our units is not operating.

***We may not recover all of the costs we have incurred or expect to incur in connection with the flood and crude oil discharge that occurred at our refinery in June/July 2007.***

*We have incurred and will continue to incur significant costs with respect to facility repairs, environmental remediation and property damage claims.*

During the weekend of June 30, 2007, torrential rains in southeast Kansas caused the Verdigris River to overflow its banks and flood the town of Coffeyville, Kansas. Our refinery and the nitrogen fertilizer plant, which are located in close proximity to the Verdigris River, were severely flooded, sustained major damage and required extensive repairs. As of September 30, 2007, we had incurred approximately \$71.4 million and \$3.1 million in third party costs to repair the refinery and fertilizer facilities, respectively. We currently estimate that approximately \$15.5 million in third party costs related to the repair of flood damaged property will be recorded in future periods. In addition to the cost of repairing the facilities, we experienced a significant revenue loss attributable to the property damage during the period when the facilities were not in operation.

Despite our efforts to complete a rapid shutdown of the refinery immediately before the flooding, we estimate that 1,919 barrels (80,600 gallons) of crude oil and 226 barrels of crude oil fractions were discharged from our refinery into the Verdigris River flood waters beginning on or about July 1, 2007. We are currently remediating the contamination caused by the crude oil discharge. The Company has recorded as of September 30, 2007, total gross costs associated with remediation and third party property damage claims resolution of approximately \$39.5 million. Anticipated insurance recoveries of approximately \$21.4 million have been recorded as of September 30, 2007, resulting in a net cost of approximately \$18.1 million. The Company has not estimated any potential fines,

penalties or claims that may be imposed or brought by regulatory authorities or possible additional damages arising from class action lawsuits related to the flood.

*The ultimate cost of environmental remediation and third party property damage is difficult to assess and could be higher than our current estimates.*

It is difficult to estimate the ultimate cost of environmental remediation resulting from the crude oil discharge or the cost of third party property damage that we will ultimately be required to pay. The costs and damages that we ultimately pay may be greater than the amounts currently described and projected in the Company's filings with the SEC. Such excess costs and damages could be material.

*We cannot predict the outcome of class action suits that have been brought against us with respect to the flood and crude oil discharge.*

Two putative class action lawsuits (one federal and one state) were filed seeking unspecified damages with class certification under applicable law for all residents, domiciliaries and property owners of Coffeyville, Kansas who were impacted by the oil release.

The Company filed a motion to dismiss the federal suit for lack of subject matter jurisdiction. On November 6, 2007, the judge in the federal class action lawsuit granted the Company's motion to dismiss. Due to the uncertainty of the state suit, the Company is unable to estimate a range of possible loss at this time for this exposure in excess of the amount accrued for the proposed purchase of homes and commercial property noted below.

*We do not know which of our losses our insurers will ultimately cover or when we will receive any insurance recovery.*

During the time of the flood and crude oil discharge, Coffeyville Resources, LLC was covered by both property/business interruption and liability insurance policies. We are in the process of submitting claims to, responding to information requests from, and negotiating with various insurers with respect to costs and damages related to these incidents. However, we do not know which of our losses, if any, the insurers will ultimately cover or when we will receive any recovery. We may not be able to recover all of the costs we have incurred and losses we have suffered in connection with the flood and crude oil discharge. Further, we likely will not be able to recover most of the business interruption losses we incurred since a substantial portion of our facilities were operational within 45 days of the start of the flood.

***Our operations involve environmental risks that may require us to make substantial capital expenditures to remain in compliance or to remediate current or future contamination that could give rise to material liabilities.***

Our results of operations may be affected by increased costs resulting from compliance with the extensive federal, state and local environmental laws and regulations to which our facilities are subject and from contamination of our facilities and neighboring areas as a result of accidental spills, discharges or other historical releases of petroleum or hazardous substances.

Our operations are subject to a variety of federal, state and local environmental laws and regulations relating to the protection of the environment, including those governing the emission or discharge of pollutants into the environment, product specifications and the generation, treatment, storage, transportation, disposal and remediation of solid and hazardous waste and materials. Environmental laws and regulations that affect the operations, processes and margins for our refined products are extensive and have become progressively more stringent. Violations of these laws and regulations or permit conditions can result in substantial penalties, injunctive orders compelling installation of additional controls, civil and criminal sanctions, permit revocations and/or facility shutdowns.

In addition, new environmental laws and regulations, new interpretations of existing laws and regulations, increased governmental enforcement of laws and regulations or other developments could require us to make additional unforeseen expenditures. Many of these laws and regulations are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time. The requirements to be met, as well as the technology and length of time available to meet those requirements, continue to develop and change.

These expenditures or costs for environmental compliance could have a material adverse effect on our financial condition and results of operations.

All of our facilities operate under a number of federal and state permits, licenses and approvals with limits, terms and conditions containing a significant number of prescriptive and performance standards in order to operate. Our facilities are also required to meet compliance with prescriptive and performance standards specific to refining and chemical facilities as well as to general manufacturing facilities. All of these permits, licenses and standards require a significant amount of monitoring, record keeping and reporting requirements in order to demonstrate compliance with the underlying permit, license or standard. Inspections by federal and state governmental agencies may uncover incomplete or unknown documentation of compliance status that may result in the imposition of fines, penalties and injunctive relief that could have a material adverse effect on our ability to operate our facilities. Additionally, due to the nature of our manufacturing processes there may be times when we are unable to meet the standards and terms and conditions of these permits, licenses and standards that may not receive enforcement discretion from the governmental agencies, which may lead to the imposition of fines and penalties or operating restrictions that may have a material adverse effect on our ability to operate our facilities and accordingly our financial performance.

Our business is inherently subject to accidental spills, discharges or other releases of petroleum or hazardous substances into the environment and neighboring areas. Past or future spills related to any of our operations, including our refinery, pipelines, product terminals, fertilizer plant or transportation of products or hazardous substances from those facilities, may give rise to liability (including strict liability, or liability without fault, and potential cleanup responsibility) to governmental entities or private parties under federal, state or local environmental laws, as well as under common law. For example, we could be held strictly liable under the Comprehensive Environmental Responsibility, Compensation and Liability Act, or CERCLA, for past or future spills without regard to fault or whether our actions were in compliance with the law at the time of the spills. Pursuant to CERCLA and similar state statutes, we could be held liable for contamination associated with facilities we currently own or operate, facilities we formerly owned or operated and facilities to which we transported or arranged for the transportation of wastes or by-products containing hazardous substances for treatment, storage, or disposal. The potential penalties and clean-up costs for past or future releases or spills, liability to third parties for damage to their property or exposure to hazardous substances, or the need to address newly discovered information or conditions that may require response actions could be significant and could have a material adverse effect on our business, financial condition and results of operations.

Two of our facilities, including our Coffeyville oil refinery and the Phillipsburg terminal (which operated as a refinery until 1991), have environmental contamination. We have assumed Farmland's responsibilities under certain Resource Conservation and Recovery Act, or RCRA, corrective action orders related to contamination at or that originated from the Coffeyville refinery (which includes portions of the fertilizer plant) and the Phillipsburg terminal. If significant unforeseen liabilities that have been undetected to date by our extensive soil and groundwater investigation and sampling programs arise in the areas where we have assumed liability for the corrective action, that liability could have a material adverse effect on our results of operations and financial condition and may not be covered by insurance.

In addition, we may face liability for alleged personal injury or property damage due to exposure to chemicals or other hazardous substances located at or released from our facilities. We may also face liability for personal injury, property damage, natural resource damage or for cleanup costs for the alleged migration of contamination or other hazardous substances from our facilities to adjacent and other nearby properties.

We may face future liability for the off-site disposal of hazardous wastes. Pursuant to CERCLA, companies that dispose of, or arrange for the disposal of, hazardous substances at off-site locations can be held jointly and severally liable for the costs of investigation and remediation of contamination at those off-site locations, regardless of fault. We could become involved in litigation or other proceedings involving off-site waste disposal and the damages or costs in any such proceedings could be material.

For a discussion of environmental risks and impacts related to the flood and crude oil discharge, see "— We may not recover all of the costs we have incurred or expect to incur in connection with the flood and crude oil discharge that occurred at our refinery in June/July 2007."

***We have a limited operating history as a stand-alone company.***

Our limited historical financial performance as a stand-alone company makes it difficult for you to evaluate our business and results of operations to date and to assess our future prospects and viability. Our brief operating history has resulted in strong period-over-period revenue and profitability growth rates that may not continue in the future. We have been operating during a recent period of significant growth in the profitability of the refined products industry which may not continue or could reverse. As a result, our results of operations may be lower than we currently expect and the price of our common stock may be volatile.

***Because we have transferred our nitrogen fertilizer business to a newly formed limited partnership, we may be required in the future to share increasing portions of the fertilizer business cash flows with third parties and we may in the future be required to deconsolidate the fertilizer business from our consolidated financial statements, our historical financial statements do not reflect the new limited partnership structure and therefore our past financial performance may not be an accurate indicator of future performance.***

In connection with our initial public offering in October 2007, we transferred our nitrogen fertilizer business to a newly formed limited partnership, whose managing general partner is a new entity owned by our controlling stockholders and senior management. Although we will initially consolidate the Partnership in our financial statements, over time an increasing portion of the cash flow of the nitrogen fertilizer business will be distributed to our managing general partner if the Partnership increases its quarterly distributions above specified target distribution levels. In addition, if the Partnership consummates a public or private offering of limited partner interests to third parties, the new limited partners will also be entitled to receive cash distributions from the Partnership. This may require us to deconsolidate. Our historical financial statements do not reflect this new limited partnership structure and therefore our past financial performance may not be an accurate indicator of future performance.

***Our commodity derivative activities could result in losses and may result in period-to-period earnings volatility.***

The nature of our operations results in exposure to fluctuations in commodity prices. If we do not effectively manage our derivative activities, we could incur significant losses. We monitor our exposure and, when appropriate, utilize derivative financial instruments and physical delivery contracts to mitigate the potential impact from changes in commodity prices. If commodity prices change from levels specified in our various derivative agreements, a fixed price contract or an option price structure could limit us from receiving the full benefit of commodity price changes. In addition, by entering into these derivative activities, we may suffer financial loss if we do not produce oil to fulfill our obligations. In the event we are required to pay a margin call on a derivative contract, we may be unable to benefit fully from an increase in the value of the commodities we sell. In addition, we may be required to make a margin payment before we are able to realize a gain on a sale resulting in a reduction in cash flow, particularly if prices decline by the time we are able to sell.

In June 2005, Coffeyville Acquisition LLC entered into the Cash Flow Swap, which is not subject to margin calls, in the form of three swap agreements for the period from July 1, 2005 to June 30, 2010 with J. Aron in connection with the Subsequent Acquisition. These agreements were subsequently assigned from Coffeyville Acquisition LLC to Coffeyville Resources, LLC on June 24, 2005. With crude oil capacity expected to reach 115,000 bpd by the end of 2007, the Cash Flow Swap represents approximately 58% and 14% of crude oil capacity for the periods January 1, 2008 through June 30, 2009 and July 1, 2009 through June 30, 2010, respectively. Under the terms of the Credit Facility and upon meeting specific requirements related to an initial public offering, our leverage ratio and our credit ratings, we may reduce the Cash Flow Swap to 35,000 bpd, or approximately 30% of expected crude oil capacity, for the period from April 1, 2008 through December 31, 2008 and terminate the Cash Flow Swap in 2009 and 2010. Otherwise, under the terms of our credit facility, management has limited discretion to change the amount of hedged volumes under the Cash Flow Swap therefore affecting our exposure to market volatility. Because this derivative is based on NYMEX prices while our revenue is based on prices in the Coffeyville supply area, the contracts cannot completely eliminate all risk of price volatility. If the price of products on NYMEX is different from the value contracted in the swap, then we will receive from or owe to the counterparty the

difference on each unit of product that is contracted in the swap. In addition, as a result of the accounting treatment of these contracts, unrealized gains and losses are charged to our earnings based on the increase or decrease in the market value of the unsettled position and the inclusion of such derivative gains or losses in earnings may produce significant period-to-period earnings volatility that is not necessarily reflective of our underlying operating performance. The positions under the Cash Flow Swap resulted in unrealized gains (losses) of \$80.3 million and \$(98.3) million for the nine months ended September 30, 2006 and 2007, respectively. As of September 30, 2007, a \$1.00 change in quoted prices for the crack spreads utilized in the Cash Flow Swap would result in a \$48.5 million change to the fair value of derivative commodity position and the same change to net income. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies — Derivative Instruments and Fair Value of Financial Instruments."

***Both the petroleum and nitrogen fertilizer businesses depend on significant customers, and the loss of one or several significant customers may have a material adverse impact on our results of operations and financial condition.***

The petroleum and nitrogen fertilizer businesses both have a high concentration of customers. Our four largest customers in the petroleum business represented 45.6% and 39.0% of our petroleum sales for the nine months ended September 30, 2006 and 2007, respectively. Further, in the aggregate the top five ammonia customers of the nitrogen fertilizer business represented 49.6% and 58.9% of its ammonia sales for the nine months ended September 30, 2006 and 2007, respectively, and the top five UAN customers of the nitrogen fertilizer business represented 30.0% and 39.2% of its UAN sales, respectively, for the same periods. Several significant petroleum, ammonia and UAN customers each account for more than 10% of sales of petroleum, ammonia and UAN, respectively. Given the nature of our business, and consistent with industry practice, we do not have long-term minimum purchase contracts with any of our customers. The loss of one or several of these significant customers, or a significant reduction in purchase volume by any of them, could have a material adverse effect on our results of operations and financial condition.

***The petroleum and nitrogen fertilizer businesses may not be able to successfully implement their business strategies, which include completion of significant capital programs.***

One of the business strategies of the petroleum and nitrogen fertilizer businesses is to implement a number of capital expenditure projects designed to increase productivity, efficiency and profitability. Many factors may prevent or hinder implementation of some or all of these projects, including compliance with or liability under environmental regulations, a downturn in refining margins, technical or mechanical problems, lack of availability of capital and other factors. Costs and delays have increased significantly during the past two years and the large number of capital projects underway in the industry has led to shortages in skilled craftsmen, engineering services and equipment manufacturing. Failure to successfully implement these profit-enhancing strategies may materially adversely affect our business prospects and competitive position. In addition, we expect to execute turnarounds at our refinery every three to four years, which involve numerous risks and uncertainties. These risks include delays and incurrence of additional and unforeseen costs. The next scheduled refinery turnaround will be in 2010. In addition, development and implementation of business strategies for the Partnership will be primarily the responsibility of the managing general partner of the Partnership.

***The acquisition strategy of our petroleum business and the nitrogen fertilizer business involves significant risks.***

Both our petroleum business and the nitrogen fertilizer business will consider pursuing strategic and accretive acquisitions in order to continue to grow and increase profitability. However, acquisitions involve numerous risks and uncertainties, including intense competition for suitable acquisition targets; the potential unavailability of financial resources necessary to consummate acquisitions in the future; difficulties in identifying suitable acquisition targets or in completing any transactions identified on sufficiently favorable terms; and the need to obtain regulatory or other governmental approvals that may be necessary to complete acquisitions. In addition, any future acquisitions may entail significant transaction costs and risks associated with entry into new markets. In addition, even when acquisitions are completed, integration of acquired entities can involve significant difficulties, such as

- unforeseen difficulties in the acquired operations and disruption of the ongoing operations of our petroleum business and the nitrogen fertilizer business;
- failure to achieve cost savings or other financial or operating objectives with respect to an acquisition;
- strain on the operational and managerial controls and procedures of our petroleum business and the nitrogen fertilizer business, and the need to modify systems or to add management resources;
- difficulties in the integration and retention of customers or personnel and the integration and effective deployment of operations or technologies;
- amortization of acquired assets, which would reduce future reported earnings;
- possible adverse short-term effects on our cash flows or operating results;
- diversion of management's attention from the ongoing operations of our petroleum business and the nitrogen fertilizer business; and
- assumption of unknown material liabilities or regulatory non-compliance issues.

Failure to manage these acquisition growth risks could have a material adverse effect on the financial condition and/or operating results of our petroleum business and/or the nitrogen fertilizer business.

***We are a holding company and depend upon our subsidiaries for our cash flow.***

We are a holding company. Our subsidiaries conduct all of our operations and own substantially all of our assets. Consequently, our cash flow and our ability to meet our obligations or to pay dividends or make other distributions in the future will depend upon the cash flow of our subsidiaries and the payment of funds by our subsidiaries to us in the form of dividends, tax sharing payments or otherwise. In addition, Coffeyville Resources, LLC, our indirect subsidiary, which is the primary obligor under our existing credit facility, is a holding company and its ability to meet its debt service obligations depends on the cash flow of its subsidiaries. The ability of our subsidiaries to make any payments to us will depend on their earnings, the terms of their indebtedness, including the terms of our credit facility, tax considerations and legal restrictions. In particular, our credit facility currently imposes significant limitations on the ability of our subsidiaries to make distributions to us and consequently our ability to pay dividends to our stockholders. Distributions that we receive from the Partnership will be primarily reinvested in our business rather than distributed to our stockholders. See also “— Risks Related to the Limited Partnership Structure Through Which We Hold Our Interest in the Nitrogen Fertilizer Business — Our rights to receive distributions from the Partnership may be limited over time” and “— Risks Related to the Limited Partnership Structure Through Which We Hold Our Interest in the Nitrogen Fertilizer Business — The Partnership may not have sufficient available cash to enable it to make quarterly distributions to us following establishment of cash reserves and payment of fees and expenses.”

***Our significant indebtedness may affect our ability to operate our business, and may have a material adverse effect on our financial condition and results of operation.***

As of September 30, 2007, we had total debt outstanding of \$847 million, \$150 million in funded letters of credit outstanding and borrowing availability of \$168.1 million under our credit facilities. We and our subsidiaries may be able to incur significant additional indebtedness in the future. If new indebtedness is added to our current indebtedness, the risks described below could increase. Our high level of indebtedness could have important consequences, such as:

- limiting our ability to obtain additional financing to fund our working capital, acquisitions, expenditures, debt service requirements or for other purposes;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to service debt;
- limiting our ability to compete with other companies who are not as highly leveraged;



- placing restrictive financial and operating covenants in the agreements governing our and our subsidiaries' long-term indebtedness and bank loans, including, in the case of certain indebtedness of subsidiaries, certain covenants that restrict the ability of subsidiaries to pay dividends or make other distributions to us;
- exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our or our subsidiaries' debt instruments that could have a material adverse effect on our business, financial condition and operating results;
- increasing our vulnerability to a downturn in general economic conditions or in pricing of our products; and
- limiting our ability to react to changing market conditions in our industry and in our customers' industries.

In addition, borrowings under our credit facility bear interest at variable rates. If market interest rates increase, such variable-rate debt will create higher debt service requirements, which could adversely affect our cash flow. Our interest expense for the nine months ended September 30, 2007 was \$46.0 million. A 1% increase or decrease in the applicable interest rates under our credit facility, using average debt outstanding at September 30, 2007, would correspondingly change our interest expense by approximately \$6.2 million for the nine month period.

In addition to our debt service obligations, our operations require substantial investments on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets, properties and systems software, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors. In addition, we are and will be subject to covenants contained in agreements governing our present and future indebtedness. These covenants include and will likely include restrictions on certain payments, the granting of liens, the incurrence of additional indebtedness, dividend restrictions affecting subsidiaries, asset sales, transactions with affiliates and mergers and consolidations. Any failure to comply with these covenants could result in a default under our credit facility. Upon a default, unless waived, the lenders under our credit facility would have all remedies available to a secured lender, and could elect to terminate their commitments, cease making further loans, institute foreclosure proceedings against our or our subsidiaries' assets, and force us and our subsidiaries into bankruptcy or liquidation. In addition, any defaults under the credit facility or any other debt could trigger cross defaults under other or future credit agreements. Our operating results may not be sufficient to service our indebtedness or to fund our other expenditures and we may not be able to obtain financing to meet these requirements.

***If the Partnership seeks to consummate a public or private offering, we may be required to use our commercially reasonable efforts to amend our credit facility to remove the Partnership as a guarantor. Any such amendment could result in increased fees to us or other onerous terms in our credit facility. In addition, we may not be able to obtain such an amendment on terms acceptable to us or at all.***

If the managing general partner elects to pursue a public or private offering of limited partner interests in the Partnership, we expect that any such transaction would require amendments to our credit facility, as well as the Cash Flow Swap, in order to remove the Partnership and its subsidiaries as obligors under such instruments. Any such amendments could result in significant changes to our credit facility's pricing, mandatory repayment provisions, covenants and other terms and could result in increased interest costs and require payment by us of additional fees. We have agreed to use our commercially reasonable efforts to obtain such amendments if the managing general partner elects to cause the Partnership to pursue a public or private offering and gives us at least 90 days written notice. However, we may not be able to obtain any such amendment on terms acceptable to us or at all. If we are not able to amend our credit facility on terms satisfactory to us, we may need to refinance it with other facilities. We will not be considered to have used our "commercially reasonable efforts" to obtain such amendments if we do not effect the requested modifications due to (i) payment of fees to the lenders or the swap counterparty, (ii) the costs of this type of amendment, (iii) an increase in applicable margins or spreads or (iv) changes to the terms required by the lenders including covenants, events of default and repayment and prepayment provisions; provided that (i), (ii), (iii) and (iv) in the aggregate are not likely to have a material adverse effect on us.

***If we lose any of our key personnel, we may be unable to effectively manage our business or continue our growth.***

Our future performance depends to a significant degree upon the continued contributions of our senior management team and key technical personnel. The loss or unavailability to us of any member of our senior management team or a key technical employee could negatively affect our ability to operate our business and pursue our strategy. We face competition for these professionals from our competitors, our customers and other companies operating in our industry. To the extent that the services of members of our senior management team and key technical personnel would be unavailable to us for any reason, we would be required to hire other personnel to manage and operate our company and to develop our products and strategy. We may not be able to locate or employ such qualified personnel on acceptable terms or at all.

***A substantial portion of our workforce is unionized and we are subject to the risk of labor disputes and adverse employee relations, which may disrupt our business and increase our costs.***

As of September 30, 2007, approximately 41% of our employees, all of whom work in our petroleum business, were represented by labor unions under collective bargaining agreements expiring in 2009. We may not be able to renegotiate our collective bargaining agreements when they expire on satisfactory terms or at all. A failure to do so may increase our costs. In addition, our existing labor agreements may not prevent a strike or work stoppage at any of our facilities in the future, and any work stoppage could negatively affect our results of operations and financial condition.

***The requirements of being a public company, including compliance with the reporting requirements of the Exchange Act and the requirements of the Sarbanes-Oxley Act, may strain our resources, increase our costs and distract management, and we may be unable to comply with these requirements in a timely or cost-effective manner.***

As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, or the Exchange Act, and the corporate governance standards of the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley Act. These requirements may place a strain on our management, systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. This may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition, results of operations and the price of our common stock.

***We will be exposed to risks relating to evaluations of controls required by Section 404 of the Sarbanes-Oxley Act.***

We are in the process of evaluating our internal controls systems to allow management to report on, and our independent auditors to audit, our internal controls over financial reporting. We will be performing the system and process evaluation and testing (and any necessary remediation) required to comply with the management certification and auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, and will be required to comply with Section 404 in our annual report for the year ended December 31, 2008 (subject to any change in applicable SEC rules). Furthermore, upon completion of this process, we may identify control deficiencies of varying degrees of severity under applicable U.S. Securities and Exchange Commission, or SEC, and Public Company Accounting Oversight Board, or PCAOB, rules and regulations that remain unremediated. As a public company, we will be required to report, among other things, control deficiencies that constitute a "material weakness" or changes in internal controls that, or that are reasonably likely to, materially affect internal controls over financial reporting. A "material weakness" is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

If we fail to implement the requirements of Section 404 in a timely manner, we might be subject to sanctions or investigation by regulatory authorities such as the SEC or the PCAOB. If we do not implement improvements to our disclosure controls and procedures or to our internal controls in a timely manner, our independent registered public accounting firm may not be able to certify as to the effectiveness of our internal controls over financial reporting pursuant to an audit of our internal controls over financial reporting. This may subject us to adverse regulatory consequences or a loss of confidence in the reliability of our financial statements. We could also suffer a loss of confidence in the reliability of our financial statements if our independent registered public accounting firm reports a material weakness in our internal controls, if we do not develop and maintain effective controls and procedures or if we are otherwise unable to deliver timely and reliable financial information. Any loss of confidence in the reliability of our financial statements or other negative reaction to our failure to develop timely or adequate disclosure controls and procedures or internal controls could result in a decline in the price of our common stock. In addition, if we fail to remedy any material weakness, our financial statements may be inaccurate, we may face restricted access to the capital markets and our stock price may be adversely affected.

***We are a “controlled company” within the meaning of the New York Stock Exchange rules and, as a result, qualify for, and are relying on, exemptions from certain corporate governance requirements.***

A company of which more than 50% of the voting power is held by an individual, a group or another company is a “controlled company” within the meaning of the New York Stock Exchange rules and may elect not to comply with certain corporate governance requirements of the New York Stock Exchange, including:

- the requirement that a majority of our board of directors consist of independent directors;
- the requirement that we have a nominating/corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities.

We are relying on all of these exemptions as a controlled company. Accordingly, you may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the New York Stock Exchange.

***New regulations concerning the transportation of hazardous chemicals, risks of terrorism, the security of chemical manufacturing facilities and increased insurance costs could result in higher operating costs.***

The costs of complying with regulations relating to the transportation of hazardous chemicals and security associated with the refining and nitrogen fertilizer facilities may have a negative impact on our operating results and may cause the price of our common stock to decline. Targets such as refining and chemical manufacturing facilities may be at greater risk of future terrorist attacks than other targets in the United States. As a result, the petroleum and chemical industries have responded to the issues that arose due to the terrorist attacks on September 11, 2001 by starting new initiatives relating to the security of petroleum and chemical industry facilities and the transportation of hazardous chemicals in the United States. Simultaneously, local, state and federal governments have begun a regulatory process that could lead to new regulations impacting the security of refinery and chemical plant locations and the transportation of petroleum and hazardous chemicals. Our business or our customers’ businesses could be materially adversely affected because of the cost of complying with new regulations.

***If we are not able to successfully defend against third-party claims of intellectual property infringement, our business may be adversely affected.***

There are currently no claims pending against us relating to the infringement of any third-party intellectual property rights; however, in the future we may face claims of infringement that could interfere with our ability to use technology that is material to our business operations. Any litigation of this type, whether successful or unsuccessful, could result in substantial costs to us and diversions of our resources, either of which could negatively affect our business, profitability or growth prospects. In the event a claim of infringement against us is successful, we may be required to pay royalties or license fees for past or continued use of the infringing technology, or we may be

prohibited from using the infringing technology altogether. If we are prohibited from using any technology as a result of such a claim, we may not be able to obtain licenses to alternative technology adequate to substitute for the technology we can no longer use, or licenses for such alternative technology may only be available on terms that are not commercially reasonable or acceptable to us. In addition, any substitution of new technology for currently licensed technology may require us to make substantial changes to our manufacturing processes or equipment or to our products, and may have a material adverse effect on our business, profitability or growth prospects.

***If licensed technology is no longer available, the refinery and nitrogen fertilizer businesses may be adversely affected.***

The refinery and nitrogen fertilizer businesses have licensed, and may license in the future, a combination of patent, trade secret and other intellectual property rights of third parties for use in their business. If any of these license agreements were to be terminated, licenses to alternative technology may not be available, or may only be available on terms that are not commercially reasonable or acceptable. In addition, any substitution of new technology for currently licensed technology may require substantial changes to manufacturing processes or equipment and may have a material adverse effect on our business, profitability or growth prospects.

#### **Risks Related to Our Common Stock**

***If our stock price fluctuates after this offering, you could lose a significant part of your investment.***

The market price of our common stock may be influenced by many factors including:

- the failure of securities analysts to cover our common stock after this offering or changes in financial estimates by analysts;
- announcements by us or our competitors of significant contracts or acquisitions;
- variations in quarterly results of operations;
- loss of a large customer or supplier;
- general economic conditions;
- terrorist acts;
- future sales of our common stock; and
- investor perceptions of us and the industries in which our products are used.

As a result of these factors, investors in our common stock may not be able to resell their shares at or above the price at which they purchase our common stock. In addition, the stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like us. These broad market and industry factors may materially reduce the market price of our common stock, regardless of our operating performance.

***The Goldman Sachs Funds and the Kelso Funds continue to control us and may have conflicts of interest with other stockholders. Conflicts of interest may arise because our principal stockholders or their affiliates have continuing agreements and business relationships with us.***

The Goldman Sachs Funds control 36.1% of our outstanding common stock and the Kelso Funds control 35.6% of our outstanding common stock. As a result, the Goldman Sachs Funds and the Kelso Funds are able to control the election of our directors, determine our corporate and management policies and determine, without the consent of our other stockholders, the outcome of any corporate transaction or other matter submitted to our stockholders for approval, including potential mergers or acquisitions, asset sales and other significant corporate transactions. The Goldman Sachs Funds and the Kelso Funds also have sufficient voting power to amend our organizational documents.

Conflicts of interest may arise between our principal stockholders and us. Affiliates of some of our principal stockholders engage in transactions with our company. We obtain the majority of our crude oil supply through a

crude oil credit intermediation agreement with J. Aron, a subsidiary of The Goldman Sachs Group, Inc. and an affiliate of the Goldman Sachs Funds, and Coffeyville Resources, LLC currently has outstanding commodity derivative contracts (swap agreements) with J. Aron for the period from July 1, 2005 to June 30, 2010. In addition, Goldman Sachs Credit Partners, L.P. is the joint lead arranger for our credit facility. Further, the Goldman Sachs Funds and the Kelso Funds are 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 and they may either directly, or through affiliates, also maintain business relationships with companies that may directly compete with us. In general, the Goldman Sachs Funds and the Kelso Funds or their affiliates could pursue business interests or exercise their voting power as stockholders in ways that are detrimental to us, but beneficial to themselves or to other companies in which they invest or with whom they have a material relationship. Conflicts of interest could also arise with respect to business opportunities that could be advantageous to the Goldman Sachs Funds and the Kelso Funds and they may pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. Under the terms of our certificate of incorporation, the Goldman Sachs Funds and the Kelso Funds have no obligation to offer us corporate opportunities.

Other conflicts of interest may arise between our principal stockholders and us because the Goldman Sachs Funds and the Kelso Funds control the managing general partner of the Partnership which holds the nitrogen fertilizer business. The managing general partner manages the operations of the Partnership (subject to our rights to participate in the appointment, termination and compensation of the chief executive officer and chief financial officer of the managing general partner and our other specified joint management rights) and also holds incentive distribution rights which, over time, entitle the managing general partner to receive increasing percentages of the Partnership's quarterly distributions if the Partnership increases the amount of distributions. Although the managing general partner has a fiduciary duty to manage the Partnership in a manner beneficial to the Partnership and us (as a holder of special units in the Partnership), the fiduciary duty is limited by the terms of the partnership agreement and the directors and officers of the managing general partner also have a fiduciary duty to manage the managing general partner in a manner beneficial to the owners of the managing general partner. The interests of the owners of the managing general partner may differ significantly from, or conflict with, our interests and the interests of our stockholders. As a result of these conflicts, the managing general partner of the Partnership may favor its own interests and/or the interests of its owners over our interests and the interests of our stockholders (and the interests of the Partnership). In particular, because the managing general partner owns the incentive distribution rights, it may be incentivized to maximize future cash flows by taking current actions which may be in its best interests over the long term. See "— Risks Related to the Limited Partnership Structure Through Which We Hold Our Interest in the Nitrogen Fertilizer Business — Our rights to receive distributions from the Partnership may be limited over time" and "— Risks Related to the Limited Partnership Structure Through Which We Hold Our Interest in the Nitrogen Fertilizer Business — The managing general partner of the Partnership will have a fiduciary duty to favor the interests of its owners, and these interests may differ from, or conflict with, our interests and the interests of our stockholders." In addition, if the value of the managing general partner interest were to increase over time, this increase in value and any realization of such value upon a sale of the managing general partner interest would benefit the owners of the managing general partner, which are the Goldman Sachs Funds and the Kelso Funds, as well as our senior management, rather than our company and our stockholders. Such increase in value could be significant if the Partnership performs well.

Further, decisions made by the Goldman Sachs Funds and the Kelso Funds with respect to their shares of common stock could trigger cash payments to be made by us to certain members of our senior management under our phantom unit appreciation plans. Phantom points granted under the Coffeyville Resources, LLC Phantom Unit Appreciation Plan (Plan I), or the Phantom Unit Plan I, and phantom points that we grant under the Coffeyville Resources, LLC Phantom Unit Appreciation Plan (Plan II), or the Phantom Unit Plan II, represent a contractual right to receive a cash payment when payment is made in respect of certain profits interests in Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC. If either the Goldman Sachs Funds or the Kelso Funds sell any or all of the shares of common stock of CVR Energy which they beneficially own through Coffeyville Acquisition LLC or Coffeyville Acquisition II LLC, as applicable, they may then cause Coffeyville Acquisition LLC or Coffeyville Acquisition II LLC, as applicable, to make distributions to their members in respect of their profits interests. Because payments under the phantom unit plans are triggered by payments in respect of profit interests under the Coffeyville Acquisition LLC Agreement and Coffeyville Acquisition II LLC Agreement, we

would therefore be obligated to make cash payments under the phantom unit appreciation plans. This could negatively affect our cash reserves, which could negatively affect our results of operations and financial condition. We estimate that any such cash payments should not exceed \$50 million, assuming all of the shares of our common stock held by Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC were sold at \$19.00 per share, which was our IPO price. In the future, Coffeyville Acquisition LLC and Coffeyville Acquisition II LLC may make a significant revision to the Phantom Unit Plan I and Phantom Unit Plan II, respectively, to provide that a significant portion of the payments in respect of phantom service points and phantom performance points will be paid on fixed payment dates (for example, in annual installments) rather than within 30 days from the date distributions are made pursuant to the respective limited liability company agreements. This amendment, if enacted, would mitigate in part the effect of decisions made by the Goldman Sachs Funds and the Kelso Funds with respect to their shares of common stock on cash payments by the plans because those payments scheduled to be made on fixed dates would not be triggered by distributions from Coffeyville Acquisition LLC or Coffeyville Acquisition II LLC, as applicable, to its members. Coffeyville Acquisition LLC has indicated that it is continuing to explore other ways to revise the Phantom Unit Plans.

In addition, one of the Goldman Sachs Funds and one of the Kelso Funds have each guaranteed 50% of our payment obligations under the Cash Flow Swap in the amount of \$123.7 million, plus accrued interest. As a result of these guarantees, the Goldman Sachs Funds and the Kelso Funds may have interests that conflict with those of our other shareholders.

Since June 24, 2005, we have made two cash distributions to the Goldman Sachs Funds and the Kelso Funds. One distribution, in the aggregate amount of \$244.7 million, was made in December 2006. In addition, in October 2007, we made a special dividend to the Goldman Sachs Funds and the Kelso Funds in an aggregate amount of approximately \$10.3 million, which they contributed to Coffeyville Acquisition III LLC in connection with the purchase of the managing general partner of the Partnership from us.

As a result of these relationships, including their ownership of the managing general partner of the Partnership, the interests of the Goldman Sachs Funds and the Kelso Funds may not coincide with the interests of our company or other holders of our common stock. So long as the Goldman Sachs Funds and the Kelso Funds continue to control a significant amount of the outstanding shares of our common stock, the Goldman Sachs Funds and the Kelso Funds will continue to be able to strongly influence or effectively control our decisions, including potential mergers or acquisitions, asset sales and other significant corporate transactions. In addition, so long as the Goldman Sachs Funds and the Kelso Funds continue to control the managing general partner of the Partnership, they will be able to effectively control actions taken by the Partnership (subject to our specified joint management rights), which may not be in our interests or the interest of our stockholders.

***Shares eligible for future sale may cause the price of our common stock to decline.***

Sales of substantial amounts of our common stock in the public market, or the perception that these sales may occur, could cause the market price of our common stock to decline. This could also impair our ability to raise additional capital through the sale of our equity securities. Under our amended and restated certificate of incorporation, we are authorized to issue up to 350,000,000 shares of common stock, of which 86,141,291 shares of common stock are outstanding as of November 30, 2007. Of these shares, the 23,000,000 shares of common stock sold in the initial public offering are freely transferable without restriction or further registration under the Securities Act by persons other than "affiliates," as that term is defined in Rule 144 under the Securities Act. Our principal stockholders, directors and executive officers have entered into lock-up agreements, pursuant to which they agreed, subject to certain exceptions, not to sell or transfer, directly or indirectly, any shares of our common stock for a period of 180 days until April 19, 2008, subject to extension in certain circumstances.

### **Risks Related to the Limited Partnership Structure Through Which We Hold Our Interest in the Nitrogen Fertilizer Business**

***Because we neither serve as, nor control, the managing general partner of the Partnership, the managing general partner may operate the Partnership in a manner with which we disagree or which is not in our interest.***

CVR GP, LLC, or Fertilizer GP, a new entity owned by our controlling stockholders and senior management, is the managing general partner of the Partnership which holds the nitrogen fertilizer business. The managing general partner is authorized to manage the operations of the nitrogen fertilizer business (subject to our specified joint management rights), and we do not control the managing general partner. Although our senior management also serves as the senior management of Fertilizer GP, in accordance with a services agreement between us, Fertilizer GP and the Partnership, our senior management operates the Partnership under the direction of the managing general partner's board of directors and Fertilizer GP has the right to select different management at any time (subject to our joint right in relation to the chief executive officer and chief financial officer of the managing general partner). Accordingly, the managing general partner may operate the Partnership in a manner with which we disagree or which is not in the interests of our company and our stockholders.

Our interest in the Partnership consists of special units. The substantial majority of these units are general partner interests that give us defined rights to participate in the management and governance of the Partnership. These rights include the right to approve the appointment, termination of employment and compensation of the chief executive officer and chief financial officer of Fertilizer GP, not to be exercised unreasonably, and to approve specified major business transactions such as significant mergers and asset sales. We also have the right to appoint two directors to Fertilizer GP's board of directors. However, our special GP units will be converted into limited partner interests, and we will lose the rights listed above, if we fail to hold at least 15% of the units in the Partnership.

***Our rights to receive distributions from the Partnership may be limited over time.***

As a holder of 30,333,333 special units (which may convert into common and/or subordinated units, and which we may sell from time to time), we are entitled to receive a quarterly distribution of \$0.4313 per unit (or \$13.1 million per quarter in the aggregate, assuming we do not sell any of our units) from the Partnership to the extent the Partnership has sufficient available cash after establishment of cash reserves and payment of fees and expenses before any distributions are made in respect of the incentive distribution rights. The Partnership is required to distribute all of its cash on hand at the end of each quarter, less reserves established by the managing general partner in its discretion. In addition, the managing general partner, Fertilizer GP, has no right to receive distributions in respect of its incentive distribution rights (i) until the Partnership has distributed all aggregate adjusted operating surplus generated by the Partnership during the period from its formation through December 31, 2009 and (ii) for so long as the Partnership or its subsidiaries are guarantors under our credit facility.

However, distributions of amounts greater than the aggregate adjusted operating surplus generated through December 31, 2009 will be allocated between us and Fertilizer GP (and the holders of any other interests in the Partnership), and in the future the allocation will grant Fertilizer GP a greater percentage of the Partnership's cash distributions as more cash becomes available for distribution. In particular, if quarterly distributions exceed the target of \$0.4313 per unit, Fertilizer GP will be entitled to increasing percentages of the distributions, up to 48% of the distributions above the highest target level, in respect of its incentive distribution rights. Therefore, we will receive a smaller percentage of quarterly cash distributions from the Partnership if the Partnership increases its quarterly distributions above the set amount per unit. This could incentivize Fertilizer GP, as managing general partner, to cause the Partnership to make capital expenditures for maintenance, which reduces operating surplus, rather than for improvement or expansion, which does not, and accordingly effect the amount of cash available for distribution. Fertilizer GP could also be incentivized to cause the Partnership to make capital expenditures for maintenance prior to December 31, 2009 that it would otherwise make at a later date in order to reduce operating surplus generated prior to such date. In addition, Fertilizer GP's discretion in determining the level of cash reserves may materially adversely affect the Partnership's ability to make cash distributions to us.

Moreover, if the Partnership issues common units in a public or private offering, at least 40% (and potentially all) of our special units will become subordinated units. We will not be entitled to any distributions on our

subordinated units until the common units issued in the public or private offering and our common units (which the balance of our special units will become) have received the minimum quarterly distribution, or MQD, of \$0.375 per unit (which may be reduced without our consent in connection with the public or private offering, or could be increased with our consent), plus any accrued and unpaid arrearages in the minimum quarterly distribution from prior quarters. The managing general partner, and not CVR Energy, has authority to decide whether or not to pursue such an offering. As a result, our right to distributions will diminish if the managing general partner decides to pursue such an offering.

***The managing general partner of the Partnership has a fiduciary duty to favor the interests of its owners, and these interests may differ from, or conflict with, our interests and the interests of our stockholders.***

The managing general partner of the Partnership, Fertilizer GP, is responsible for the management (subject to our specified management rights) of the Partnership. Although Fertilizer GP has a fiduciary duty to manage the Partnership in a manner beneficial to the Partnership and holders of interests in the Partnership (including us, in our capacity as holder of special units), the fiduciary duty is specifically limited by the express terms of the partnership agreement and the directors and officers of Fertilizer GP also have a fiduciary duty to manage Fertilizer GP in a manner beneficial to the owners of Fertilizer GP. The interests of the owners of Fertilizer GP may differ from, or conflict with, our interests and the interests of our stockholders. In resolving these conflicts, Fertilizer GP may favor its own interests and/or the interests of its owners over our interests and the interests of our stockholders (and the interests of the Partnership). In addition, while our directors and officers have a fiduciary duty to make decisions in our interests and the interests of our stockholders, one of our wholly-owned subsidiaries is also a general partner of the Partnership and, therefore, in such capacity, has a fiduciary duty to exercise rights as general partner in a manner beneficial to the Partnership and its unit holders, subject to the limitations contained in the partnership agreement. As a result of these conflicts, our directors and officers may feel obligated to take actions that benefit the Partnership as opposed to us and our stockholders.

The potential conflicts of interest include, among others, the following:

- Fertilizer GP, as managing general partner of the Partnership, holds all of the incentive distribution rights in the Partnership. Incentive distribution rights give Fertilizer GP a right to increasing percentages of the Partnership's quarterly distributions after the Partnership has distributed all aggregate adjusted operating surplus generated by the Partnership during the period from its formation through December 31, 2009, assuming the Partnership and its subsidiaries are released from their guaranty of our credit facility. Fertilizer GP may have an incentive to manage the Partnership in a manner which increases these future cash flows rather than in a manner which increases current cash flows.
- The initial directors and executive officers of Fertilizer GP also serve as directors and executive officers of CVR Energy. The executive officers who work for both us and Fertilizer GP, including our chief executive officer, chief operating officer, chief financial officer and general counsel, divide their time between our business and the business of the Partnership. These executive officers face conflicts of interests from time to time in making decisions which may benefit either our company or the Partnership. However, when making decisions on behalf of the Partnership, they will be acting in their capacity as directors and officers of the managing general partner and not us.
- The owners of Fertilizer GP, who are also our controlling stockholders and senior management, are permitted to compete with us or the Partnership or to own businesses that compete with us or the Partnership. In addition, the owners of Fertilizer GP are required to share business opportunities with us, and our owners are not required to share business opportunities with the Partnership or Fertilizer GP.
- Neither the partnership agreement nor any other agreement requires the owners of Fertilizer GP to pursue a business strategy that favors us or the Partnership. The owners of Fertilizer GP have fiduciary duties to make decisions in their own best interests, which may be contrary to our interests and the interests of the Partnership. In addition, Fertilizer GP is allowed to take into account the interests of parties other than us, such as its owners, in resolving conflicts of interest, which has the effect of limiting its fiduciary duty to us.



- The partnership agreement limits the liability and reduces the fiduciary duties of Fertilizer GP, while also restricting the remedies available to the unit holders of the Partnership, including us, for actions that, without these limitations, might constitute breaches of fiduciary duty. Delaware partnership law permits such contractual reductions of fiduciary duty. As a result of our ownership interest in the Partnership, we may consent to some actions that might otherwise constitute a breach of fiduciary or other duties applicable under state law.
- Fertilizer GP determines the amount and timing of asset purchases and sales, capital expenditures, borrowings, repayment of indebtedness, issuances of additional partnership units and cash reserves maintained by the Partnership (subject to our specified joint management rights as holder of special GP rights), each of which can affect the amount of cash that is available for distribution to us in our capacity as a holder of special units and the amount of cash paid to Fertilizer GP in respect of its IDRs.
- In some instances Fertilizer GP may cause the Partnership to borrow funds in order to permit the payment of cash distributions, where the purpose or effect of the borrowing is to make incentive distributions which benefit Fertilizer GP. Fertilizer GP also is able to determine the amount and timing of any capital expenditures and whether a capital expenditure is for maintenance, which reduces operating surplus, or improvement, which does not. Such determinations can affect the amount of cash that is available for distribution and the manner in which the cash is distributed.
- Fertilizer GP may exercise its rights to call and purchase all of the Partnership's equity securities of any class if at any time it and its affiliates (excluding us) own more than 80% of the outstanding securities of such class.
- Fertilizer GP controls the enforcement of obligations owed to the Partnership by it and its affiliates. In addition, Fertilizer GP decides whether to retain separate counsel or others to perform services for the Partnership.

***The partnership agreement limits the fiduciary duties of the managing general partner and restricts the remedies available to us for actions taken by the managing general partner that might otherwise constitute breaches of fiduciary duty.***

The partnership agreement contains provisions that reduce the standards to which Fertilizer GP, as the managing general partner, would otherwise be held by state fiduciary duty law. For example:

- The partnership agreement permits Fertilizer GP to make a number of decisions in its individual capacity, as opposed to its capacity as a general partner. This entitles Fertilizer GP to consider only the interests and factors that it desires, and it has no duty or obligation to give any consideration to any interest of, or factors affecting, us or our affiliates.
- The partnership agreement provides that Fertilizer GP will not have any liability to the Partnership or to us for decisions made in its capacity as managing general partner so long as it acted in good faith, meaning it believed that the decisions were in the best interests of the Partnership.
- The partnership agreement provides that Fertilizer GP and its officers and directors will not be liable for monetary damages to the Partnership for any acts or omissions unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that Fertilizer GP or those persons acted in bad faith or engaged in fraud or willful misconduct.
- The partnership agreement generally provides that affiliate transactions and resolutions of conflicts of interest not approved by the conflicts committee of the board of directors of Fertilizer GP and not involving a vote of unit holders must be on terms no less favorable to the Partnership than those generally provided to or available from unrelated third parties or be "fair and reasonable" to the Partnership and that, in determining whether a transaction or resolution is "fair and reasonable," Fertilizer GP may consider the totality of the relationship between the parties involved, including other transactions that may be particularly advantageous or beneficial to the Partnership.

***The Partnership has a preferential right to pursue corporate opportunities before we can pursue them.***

We have entered into an agreement with the Partnership in order to clarify and structure the division of corporate opportunities between us and the Partnership. Under this agreement, we have agreed not to engage in the production, transportation or distribution, on a wholesale basis, of fertilizers in the contiguous United States, subject to limited exceptions (fertilizer restricted business). In addition, the Partnership has agreed not to engage in the ownership or operation within the United States of any refinery with processing capacity greater than 20,000 barrels per day whose primary business is producing transportation fuels or the ownership or operation outside the United States of any refinery (refinery restricted business).

With respect to any business opportunity other than those covered by a fertilizer restricted business or a refinery restricted business, we have agreed that the Partnership will have a preferential right to pursue such opportunities before we may pursue them. If the managing general partner of the Partnership elects not to pursue the business opportunity, then we will be free to pursue such opportunity. This provision will continue so long as we continue to own 50% of the outstanding units of the Partnership.

***If the Partnership completes a public offering or private placement of limited partner interests, our voting power in the Partnership would be reduced and our rights to distributions from the Partnership could be materially adversely affected.***

Fertilizer GP may, in its sole discretion, elect to pursue one or more public or private offerings of limited partner interests in the Partnership. Fertilizer GP will have the sole authority to determine the timing, size (subject to our joint management rights for any initial offering in excess of \$200 million, exclusive of the underwriters' option to purchase additional limited partner interests, if any), and underwriters or initial purchasers, if any, for such offerings, if any. Any public or private offering of limited partner interests could materially adversely affect us in several ways. For example, if such an offering occurs, our percentage interest in the Partnership would be diluted. Some of our voting rights in the Partnership could thus become less valuable, since we would not be able to take specified actions without support of other unit holders. For example, since the vote of 80% of unit holders is required to remove the managing general partner in specified circumstances, if the managing general partner sells more than 20% of the units to a third party we would not have the right, unilaterally, to remove the general partner under the specified circumstances.

In addition, if the Partnership completes an offering of limited partner interests, the distributions that we receive from the Partnership would decrease because the Partnership's distributions will have to be shared with the new limited partners, and the new limited partners' right to distributions will be superior to ours because at least 40% (and potentially all) of our units will become subordinated units. Pursuant to the terms of the partnership agreement, the new limited partners and Fertilizer GP will have superior priority to distributions in some circumstances. Subordinated units will not be entitled to receive distributions unless and until all common units have received the minimum quarterly distribution, plus any accrued and unpaid arrearages in the MQD from prior quarters. In addition, upon a liquidation of the partnership, common unit holders will have a preference over subordinated unit holders in certain circumstances.

***If the Partnership does not consummate an initial offering by October 24, 2009, Fertilizer GP can require us to purchase its managing general partner interest in the Partnership. We may not have requisite funds to do so.***

If the Partnership does not consummate an initial private or public offering by October 24, 2009, Fertilizer GP can require us to purchase the managing general partner interest. This put right expires on the earlier of (1) October 24, 2012 and (2) the closing of the Partnership's initial offering. The purchase price will be the fair market value of the managing general partner interest, as determined by an independent investment banking firm selected by us and Fertilizer GP. Fertilizer GP will determine in its discretion whether the Partnership will consummate an initial offering.

If Fertilizer GP elects to require us to purchase the managing general partner interest, we may not have available cash resources to pay the purchase price. In addition, any purchase of the managing general partner interest would divert our capital resources from other intended uses, including capital expenditures and growth

capital. In addition, the instruments governing our indebtedness may limit our ability to acquire, or prohibit us from acquiring, the managing general partner interest.

***Fertilizer GP can require us to be a selling unit holder in the Partnership's initial offering at an undesirable time or price.***

Under the contribution, conveyance and assumption agreement, if Fertilizer GP elects to cause the Partnership to undertake an initial private or public offering, we have agreed that Fertilizer GP may structure the initial offering to include (1) a secondary offering of interests by us or (2) a primary offering of interests by the Partnership, possibly together with an incurrence of indebtedness by the Partnership, where a use of proceeds is to redeem units from us (with a per-unit redemption price equal to the price at which a unit is purchased from the Partnership, net of sales commissions or underwriting discounts) (a "special GP offering"), provided that in either case the number of units associated with the special GP offering is reasonably expected by Fertilizer GP to generate no more than \$100 million in net proceeds to us. If Fertilizer GP elects to cause the Partnership to undertake an initial private or public offering, it may require us to sell (including by redemption) a portion, which could be a substantial portion, of our special units in the Partnership at a time or price we would not otherwise have chosen. A sale of special units would result in our receiving cash proceeds for the value of such units, net of sales commissions and underwriting discounts. Any such sale or redemption would likely result in taxable gain to us. See "— Use of the limited partnership structure involves tax risks. For example, if the Partnership is treated as a corporation for U.S. income tax purposes, this would substantially reduce the cash it has available to make distributions." In return for the receipt of the net cash proceeds, we would no longer receive quarterly distributions on the units that were sold which could negatively impact our financial position. Moreover, because we would own a smaller percentage of the total units of the Partnership after such sale or redemption, the percentage of distributions that we would receive from the Partnership would decrease. See "— If the Partnership completes a public offering or private placement of limited partner interests, our voting power in the Partnership would be reduced and our rights to distributions from the Partnership could be materially adversely affected."

***Our rights to remove Fertilizer GP as managing general partner of the Partnership are extremely limited.***

Until October 24, 2012, Fertilizer GP may only be removed as managing general partner if at least 80% of the outstanding units of the Partnership vote for removal and there is a final, non-appealable judicial determination that Fertilizer GP, as an entity, has materially breached a material provision of the partnership agreement or is liable for actual fraud or willful misconduct in its capacity as a general partner of the Partnership. Consequently, we will be unable to remove Fertilizer GP unless a court has made a final, non-appealable judicial determination in those limited circumstances as described above. Additionally, if there are other holders of partnership interests in the Partnership, these holders may have to vote for removal of Fertilizer GP as well if we desire to remove Fertilizer GP but do not hold at least 80% of the outstanding units of the Partnership at that time.

After October 24, 2012, Fertilizer GP may be removed with or without cause by a vote of the holders of at least 80% of the outstanding units of the Partnership, including any units owned by Fertilizer GP and its affiliates, voting together as a single class. Therefore, we may need to gain the support of other unit holders in the Partnership if we desire to remove Fertilizer GP as managing general partner, if we do not hold at least 80% of the outstanding units of the Partnership.

In addition to removal, we have a right to purchase Fertilizer GP's general partner interest in the Partnership, and therefore remove the Fertilizer GP as managing general partner, if the Partnership has not made an initial private offering or an initial public offering of limited partner interests by October 24, 2012.

If the managing general partner is removed without cause, it will have the right to convert its managing general partner interest, including the IDRs, into units or to receive cash based on the fair market value of the interest at the time. If the managing general partner is removed for cause, a successor managing general partner will have the option to purchase the managing general partner interest, including the IDRs, of the departing managing general partner for a cash payment equal to the fair market value of the managing general partner interest. Under all other circumstances, the departing managing general partner will have the option to require the successor managing

general partner to purchase the managing general partner interest of the departing managing general partner for its fair market value.

***The Partnership may not have sufficient available cash to enable it to make quarterly distributions to us following establishment of cash reserves and payment of fees and expenses.***

The Partnership may not have sufficient available cash each quarter to make distributions to us and other unit holders, if any. In particular:

- The Partnership's managing general partner has broad discretion to establish reserves for the prudent conduct of the Partnership's business. The establishment of those reserves could result in a reduction of the Partnership's distributions.
- The amount of distributions made by the Partnership and the decision to make any distribution is determined by the Partnership's managing general partner, which we do not control.
- Under Section 17-607 of the Delaware Limited Partnership Act, the Partnership may not make a distribution to its unit holders if the distribution would cause its liabilities to exceed the fair value of its assets.
- Although the partnership agreement requires the Partnership to distribute its available cash, the partnership agreement may be amended.
- If the Partnership enters into its own credit facility in the future, the credit facility may limit the distributions which the Partnership can make. In addition, the credit facility will likely contain financial tests and covenants that the Partnership must satisfy; any failure to comply with these tests and covenants could result in the lenders prohibiting distributions by the Partnership.
- The actual amount of cash available for distribution will depend on factors such as the level of capital expenditures made by the Partnership, the cost of acquisitions, if any, fluctuations in the Partnership's working capital needs, the amount of fees and expenses incurred by the Partnership, and the Partnership's ability to make working capital and other borrowings to make distributions to unit holders.
- If the Partnership consummates one or more public or private offerings, because at least 40% (and potentially all) of our interest may be subordinated to common units we would be harmed if the MQD could not be paid on all units.

***If we were deemed an investment company under the Investment Company Act of 1940, applicable restrictions would make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business. We may in the future be required to sell some or all of our Partnership interests in order to avoid being deemed an investment company, and such sales could result in gains taxable to the company.***

In order not to be regulated as an investment company under the Investment Company Act of 1940, as amended, or the 1940 Act, unless we can qualify for an exemption, we must ensure that we are engaged primarily in a business other than investing, reinvesting, owning, holding or trading in securities (as defined in the 1940 Act) and that we do not own or acquire "investment securities" having a value exceeding 40% of the value of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We believe that we are not currently an investment company because our general partner interests in the Partnership should not be considered to be securities under the 1940 Act and, in any event, both our refinery business and the fertilizer business are operated through majority-owned subsidiaries. In addition, even if our general partner interests in the Partnership were considered securities or investment securities, they do not currently have a value exceeding 40% of the fair market value of our total assets on an unconsolidated basis.

However, there is a risk that we could be deemed an investment company if the SEC or a court determines that our general partner interests in the Partnership are securities or investment securities under the 1940 Act and if our Partnership interests constituted more than 40% of the value of our total assets. Currently, our interests in the Partnership constitute less than 40% of our total assets on an unconsolidated basis, but they could constitute a higher

percentage of the fair market value of our total assets in the future if the value of our Partnership interests increases, the value of our other assets decreases, or some combination thereof occurs.

We intend to conduct our operations so that we will not be deemed an investment company. However, if we were deemed an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business and the price of our common stock. In order to avoid registration as an investment company under the 1940 Act, we may have to sell some or all of our interests in the Partnership at a time or price we would not otherwise have chosen. The gain on such sale would be taxable to us. We may also choose to seek to acquire additional assets that may not be deemed investment securities, although such assets may not be available at favorable prices. Under the 1940 Act, we may have only up to one year to take any such actions.

***Use of the limited partnership structure involves tax risks. For example, if the Partnership is treated as a corporation for U.S. income tax purposes, this would substantially reduce the cash it has available to make distributions.***

The anticipated benefit of the limited partnership structure depends largely on its treatment as a partnership for federal income tax purposes following its initial public offering. In the taxable year of an initial public offering of the Partnership, if any, and in each taxable year thereafter, current law would require the Partnership to derive at least 90% of its annual gross income from specific activities to continue to be treated as a partnership for federal income tax purposes. The Partnership may not find it possible to meet this income requirement, or may inadvertently fail to meet this income requirement. In addition, a change in current law could cause the Partnership to be treated as a corporation for federal income tax purposes without regard to its sources of income or otherwise subject it to entity-level taxation. The Partnership has not requested, and does not plan to request, a ruling from the Internal Revenue Service on this or any other matter affecting the Partnership. However, in order for the Partnership to consummate an initial public offering, the Partnership will be required to obtain an opinion of legal counsel that, based upon, among other things, customary representations by the Partnership, the Partnership will continue to be treated as a partnership for federal income tax purposes following such initial public offering. The ability of the Partnership to obtain such an opinion will depend upon a number of factors, including the state of the law at the time the Partnership seeks such an opinion and the specific facts and circumstances of the Partnership at such time. If the Partnership is unable to obtain such an opinion, the Partnership will not consummate an initial public offering and will not be able to realize the anticipated benefits of being a master limited partnership.

If the Partnership were to be treated as a corporation for federal income tax purposes, it would pay federal income tax on its income at the corporate tax rate, which is currently a maximum of 35%, and would pay state income taxes at varying rates. Because such a tax would be imposed upon the Partnership as a corporation, the cash available for distribution by the Partnership to its partners, including us, would be substantially reduced. In addition, distributions by the Partnership to us would also be taxable to us (subject to the 70% or 80% dividends received deduction, as applicable, depending on the degree of ownership we have in the Partnership) and we would not be able to use our share of any tax losses of the Partnership to reduce taxes otherwise payable by us. Thus, treatment of the Partnership as a corporation could result in a material reduction in our anticipated cash flow and the after-tax return to us.

In addition, because of widespread state budget deficits and other reasons, several states are evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise and other forms of taxation. For example, beginning in 2008, the Partnership will be required to pay Texas franchise tax at a maximum effective rate of 0.7% of the Partnership's gross income apportioned to Texas in the prior year. Imposition of such a tax on the Partnership by Texas and, if applicable, by any other state will reduce the cash available for distribution by the Partnership.

In addition, the sale of the managing general partner interest of the Partnership to a newly formed entity controlled by the Goldman Sachs Funds and the Kelso Funds was made at the fair market value of the general partner interest as of the date of transfer, as determined by our board of directors after consultation with management. Any gain on this sale by us will be subject to tax. If the Internal Revenue Service or another taxing

authority successfully asserted that the fair market value at the time of sale of the managing general partner interest exceeded the sale price, we would have additional deemed taxable income, which could reduce our cash flow and adversely affect our financial results. For example, if the value of the managing general partner interest increases over time, possibly significantly because the Partnership performs well, then in hindsight the sale price might be challenged or viewed as insufficient by the Internal Revenue Service or another taxing authority.

If the Partnership consummates an initial public offering or private offering and we sell units, or our units are redeemed, in a special GP offering, or the Partnership makes a distribution to us of proceeds of the offering or debt financing, such sale, redemption or distribution would likely result in taxable gain to us. We will also recognize taxable gain to the extent that otherwise nontaxable distributions exceed our tax basis in the Partnership. The tax associated with any such taxable gain could be significant.

Additionally, when the Partnership issues units or engages in certain other transactions, the Partnership will determine the fair market value of its assets and allocate any unrealized gain or loss attributable to those assets to the capital accounts of the existing partners. As a result of this revaluation and the Partnership's adoption of the remedial allocation method under Section 704(c) of the Internal Revenue Code (i) new unitholders will be allocated deductions as if the tax basis of the Partnership's property were equal to the fair market value thereof at the time of the offering, and (ii) we will be allocated "reverse Section 704(c) allocations" of income or loss over time consistent with our allocation of unrealized gain or loss.

The tax allocations provided by the Partnership's partnership agreement and other tax positions the Partnership may take are complex and under certain circumstances uncertain under relevant tax laws. Furthermore, the allocations depend on valuations which may be subject to challenge by the IRS. The IRS may adopt positions with respect to tax allocations or otherwise that differ from the positions the Partnership takes. It may be necessary to resort to administrative or court proceedings to sustain the positions the Partnership takes and a court may disagree with some or all of those positions.

***Control of Fertilizer GP may be transferred to an unrelated third party without our consent. The new owners of Fertilizer GP may have no interest in CVR Energy and may take actions that are not in our interest.***

Fertilizer GP is currently controlled by the Goldman Sachs Funds and the Kelso Funds. The Goldman Sachs Funds and the Kelso Funds will also collectively own 71.7% of our common stock. However, there is no restriction in the partnership agreement on the ability of the owners of Fertilizer GP to transfer their equity interest in Fertilizer GP to an unrelated third party without our consent. If such a transfer occurred, the new equity owners of Fertilizer GP would then be in a position to replace the board of directors of Fertilizer GP (other than the two directors appointed by us) and the officers of Fertilizer GP with their own choices and to influence the decisions taken by the board of directors and executive officers of Fertilizer GP. These new equity owners, directors and executive officers may take actions, subject to the specified joint management rights we have as holder of special GP rights, which are not in our interests or the interests of our stockholders. In particular, the new owners may have no economic interest in us (unlike the current owners of Fertilizer GP), which may make it more likely that they would take actions to benefit Fertilizer GP and its managing general partner interest over us and our interests in the Partnership.

***The Partnership may never seek to or be able to consummate an initial public offering or one or more private placements. This could negatively impact the value and liquidity of our investment in the Partnership, which could impact the value of our common stock.***

The Partnership may never seek to or be able to consummate an initial public offering or an initial private offering. Any public or private offering of interests by the Partnership would be made at the discretion of the managing general partner of the Partnership and would be subject to market conditions and to achievement of a valuation which the Partnership found acceptable. An initial public offering would be subject to SEC review of a registration statement, compliance with applicable securities laws and the Partnership's ability to list Partnership units on a national securities exchange. Similarly, any private placement to a third party would depend on the Partnership's ability to reach agreement on price and enter into satisfactory documentation with a third party. Any such transaction would also require third party approvals, including consent of our lenders under our credit facility

and the swap counterparty under our Cash Flow Swap. The Partnership may never consummate any of such transactions on terms favorable to us, or at all. If no offering by the Partnership is ever made, it could impact the value, and certainly the liquidity, of our investment in the Partnership.

If the Partnership does not consummate an initial public offering, the value of our investment in the Partnership could be negatively impacted because the Partnership would not be able to access public equity markets to fund capital projects and would not have a liquid currency with which to make acquisitions or consummate other potentially beneficial transactions. In addition, we would not have a liquid market in which to sell portions of our interest in the Partnership but rather would need to monetize our interest in a privately negotiated sale if we ever wished to create liquidity through a divestiture of our nitrogen fertilizer business.

In addition, if the Partnership does not consummate an initial public offering, we believe that the value of CVR Energy's common stock could also be affected. Because we have observed that entities structured as master limited partnerships have over recent history demonstrated significantly greater relative market valuation levels compared to corporations in the refining and marketing sector when measured as a ratio of enterprise value to EBITDA, we believe that the value of CVR Energy's common stock may be enhanced to the extent that the Partnership consummates an initial public offering, because then the public market valuation of CVR Energy's common stock would reflect the higher potential valuation of the Partnership realized in its offering. If the Partnership does not consummate an initial public offering, we believe CVR Energy's common stock may not reflect the higher potential valuation of a master limited partnership.