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#54264

**Date:** March 06, 2024

**Subject:** CSI Compressco LP - Anticipated Adjustment  
Option Symbols: CCLP/1CCLP  
New Symbols: KGS1/1KGS1  
Date: ???

**Contract Adjustment**

**Date:** Effective the opening of the business day after the merger is consummated.  
Contract adjustment is anticipated to occur in the second quarter of 2024.

**Option Symbols:** CCLP changes to KGS1  
1CCLP changes to 1KGS1

**Strike Divisor:** 1

**Contracts Multiplier:** 1

**New Multiplier:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 2.50 yields \$250.00)

**New Deliverable Per Contract:**

- 1) 8 Kodiak Gas Services, Inc. (KGS) Common Shares
- 2) Cash in lieu of 0.6 fractional KGS Common Shares

Note: Once determined the cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.

**CUSIP:** KGS: 50012A108

**Pricing**

Until the cash in lieu amount is determined, the underlying price for KGS1/1KGS1 will be determined as follows:

$$\text{KGS1} = 0.086 (\text{KGS})$$

**Delayed Settlement**

The KGS component of the KGS1/1KGS1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the KGS1/1KGS1 deliverable until the cash in lieu of fractional KGS shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

## **Background**

On December 19, 2023, parties who own approximately 54% of the outstanding Common Units of CSI Compressco LP (CCLP), agreed to deliver the Written Consent approving the merger between CCLP and Kodiak Gas Services, Inc. (KGS). If and when the merger is consummated, each existing CCLP Common Unit will be converted into the right to receive 0.086 KGS Common Shares. Cash will be paid in lieu of fractional KGS shares.

**Exercise Consideration** - Eligible Unitholders, whose eligibility is defined in the CCLP/KGS Consent Statement/Prospectus dated February 21, 2024 ("Prospectus"), will have an opportunity to make an election to receive the Up-C Consideration in lieu of KGS Common Shares, as described in the Prospectus. Call option holders who wish to participate in the election should exercise their options in sufficient time to become shareholders of record. In all cases, it is the sole responsibility of persons holding call options seeking to receive the underlying securities to determine when to exercise their options.

## **Disclaimer**

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

**ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.**

For questions regarding this memo, please email the Investor Education team at [options@theocc.com](mailto:options@theocc.com). Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theocc.com](mailto:memberservices@theocc.com).