UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF

THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018

Commission File Number: 001-33480

CLEAN ENERGY FUELS CORP.

(Exact name of registrant as specified in its charter)

Delaware	**33-0968580**
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)

4675 MacArthur Court, Suite 800, Newport Beach, CA 92660

(Address of principal executive offices, including zip code)

(949) 437-1000

(Registrant’s telephone number, including area code)

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. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232,405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

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

As of May 3, 2018, there were 152,534,387 shares of the registrant’s common stock, par value $0.0001 per share, issued and outstanding.

CLEAN ENERGY FUELS CORP. AND SUBSIDIARIES

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Unless the context indicates otherwise, all references to "Clean Energy," the "Company," "we," "us," or "our" in this MD&A refer to Clean Energy Fuels Corp. together with its consolidated subsidiaries.

This report contains forward-looking statements. See the cautionary note regarding these statements in Part I, Item 2.-Management's Discussion and Analysis of Financial Condition and Results of Operations of this report.

We own registered or unregistered trademark or service mark rights to Redeem™, NGV Easy Bay™, Clean Energy™, Clean Energy Renewables™, and Clean Energy Cryogenics™. Although we do not use the "®" or "™" symbol in each instance in which one of our trademarks appears in this report, this should not be construed as any indication that we will not assert our rights thereto to the fullest extent under applicable law. Any other service marks, trademarks and trade names appearing in this report are the property of their respective owners.

PART I.—FINANCIAL INFORMATION

Item 1.—Financial Statements (Unaudited)

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Balance Sheets

(In thousands, except share data, Unaudited)

	December 31, 2017	March 31, 2018
Assets		
Current assets:		
Cash, cash equivalents and restricted cash	$ 37,208	$ 47,096
Short-term investments	141,462	128,129
Accounts receivable, net of allowance for doubtful accounts of $1,276 and $1,353 as of December 31, 2017 and March 31, 2018, respectively	63,961	65,687
Other receivables	19,235	53,661
Inventory	35,238	37,792
Prepaid expenses and other current assets	7,793	9,425
Total current assets	304,897	341,790
Land, property and equipment, net	367,305	363,903
Notes receivable and other long-term assets, net	21,397	16,590
Investments in other entities	30,395	28,927
Goodwill	64,328	64,328
Intangible assets, net	3,590	3,217
Total assets	$ 791,912	$ 818,755
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of debt and capital lease obligations	$ 139,699	$ 140,735
Accounts payable	17,901	20,266
Accrued liabilities	42,268	45,390
Deferred revenue	3,432	9,671
Total current liabilities	203,300	216,062
Long-term portion of debt and capital lease obligations	120,388	125,491
Other long-term liabilities	18,566	16,381
Total liabilities	342,254	357,934
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.0001 par value. Authorized 1,000,000 shares; issued and outstanding no shares	—	—
Common stock, $0.0001 par value. Authorized 224,000,000 shares; issued and outstanding 151,650,969 shares and 152,514,550 shares at December 31, 2017 and March 31, 2018, respectively	15	15
Additional paid-in capital	1,111,432	1,113,440
Accumulated deficit	(683,570)	(672,641)
Accumulated other comprehensive loss	(887)	(912)
Total Clean Energy Fuels Corp. stockholders' equity	426,990	439,902
Noncontrolling interest in subsidiary	22,668	20,919
Total stockholders' equity	449,658	460,821
Total liabilities and stockholders' equity	$ 791,912	$ 818,755

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Operations

(In thousands, except share and per share data, Unaudited)

	Three Months Ended March 31,	
	2017	2018
Revenue:		
Product revenue	$ 76,229	$ 92,251
Service revenue	13,262	10,152
Total revenue	89,491	102,403
Operating expenses:		
Cost of sales (exclusive of depreciation and amortization shown separately below):		
Product cost of sales	54,597	50,199
Service cost of sales	6,264	4,597
Selling, general and administrative	23,773	18,837
Depreciation and amortization	15,317	12,801
Total operating expenses	99,951	86,434
Operating income (loss)	(10,460)	15,969
Interest expense	(4,911)	(4,503)
Interest income	192	575
Other income (expense), net	(167)	(12)
Loss from equity method investments	(36)	(1,468)
Gain from extinguishment of debt	3,195	—
Gain from sale of certain assets of subsidiary	70,648	—
Income before income taxes	58,461	10,561
Income tax benefit (expense)	2,263	(88)
Net income	60,724	10,473
Loss attributable to noncontrolling interest	335	1,749
Net income attributable to Clean Energy Fuels Corp.	$ 61,059	$ 12,222
Income per share:		
Basic	$ 0.41	$ 0.08
Diluted	$ 0.40	$ 0.08
Weighted-average common shares outstanding:		
Basic	148,847,503	152,194,695
Diluted	152,972,153	156,643,092

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Comprehensive Income (Loss)

(In thousands, Unaudited)

	Clean Energy Fuels Corp.		Noncontrolling Interest		Total	
	Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
	2017	2018	2017	2018	2017	2018
Net income (loss)	$ 61,059	$ 12,222	$ (335)	$ (1,749)	$ 60,724	$ 10,473
Other comprehensive income (loss), net of tax:						
Foreign currency translation adjustments, net of $0 tax in 2017 and 2018	360	(78)	—	—	360	(78)
Foreign currency adjustments on intra-entity long-term investments, net of $0 tax in 2017 and 2018	579	—	—	—	579	—
Unrealized gains (losses) on available-for-sale securities, net of $0 tax in 2017 and 2018	(5)	53	—	—	(5)	53
Total other comprehensive income (loss)	934	(25)	—	—	934	(25)
Comprehensive income (loss)	$ 61,993	$ 12,197	$ (335)	$ (1,749)	$ 61,658	$ 10,448

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Cash Flows

(In thousands, Unaudited)

	Three Months Ended March 31,	
	2017	**2018**
Cash flows from operating activities:		
Net income	$ 60,724	$ 10,473
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	15,317	12,801
Provision for doubtful accounts, notes and inventory	409	227
Stock-based compensation expense	1,910	1,898
Amortization of debt issuance cost	240	198
Gain on extinguishment of debt	(3,195)	—
Gain from sale of certain assets of subsidiary	(70,648)	—
Loss from equity method investments	36	1,468
Changes in operating assets and liabilities:		
Accounts and other receivables	18,604	(36,796)
Inventory	162	(2,704)
Prepaid expenses and other assets	1,400	(1,525)
Accounts payable	(7,439)	3,970
Deferred revenue	175	3,914
Accrued expenses and other	(16,295)	3,727
Net cash provided by (used in) operating activities	1,400	(2,349)
Cash flows from investing activities:		
Purchases of short-term investments	(30,720)	(41,723)
Maturities and sales of short-term investments	53,517	55,181
Purchases and deposits on property and equipment	(7,579)	(7,131)
Loans made to customers	(784)	—
Payments on and proceeds from sales of loans receivable	319	84
Cash received from sale of certain assets of subsidiary, net of cash, cash equivalents and restricted cash transferred	23,592	871
Investments in other entities	(1,928)	—
Net cash provided by investing activities	36,417	7,282
Cash flows from financing activities:		
Issuances of common stock	10,767	—
Fees paid for issuances of common stock	(46)	—
Proceeds from debt instruments	6,291	6,261
Proceeds from revolving line of credit	—	—
Repayment of borrowing under revolving line of credit	(23,500)	—
Repayment of capital lease obligations and debt instruments	(27,250)	(1,234)
Net cash provided by (used in) financing activities	(33,738)	5,027
Effect of exchange rates on cash, cash equivalents and restricted cash	184	(72)
Net increase in cash, cash equivalents and restricted cash	4,263	9,888
Cash, cash equivalents and restricted cash, beginning of period	43,115	37,208
Cash, cash equivalents and restricted cash, end of period	$ 47,378	$ 47,096
Supplemental disclosure of cash flow information:		
Income taxes paid	$ 54	$ 24
Interest paid, net of approximately $35 and $33 capitalized, respectively	3,324	2,856

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Notes to Condensed Consolidated Financial Statements

(In thousands, except share and per share data, Unaudited)

Note 1—General

Nature of Business

Clean Energy Fuels Corp., together with its majority and wholly owned subsidiaries (hereinafter collectively referred to as the "Company," unless the context or the use of the term indicates or requires otherwise) is engaged in the business of selling natural gas as an alternative fuel for vehicle fleets and related natural gas fueling solutions to its customers, primarily in the United States and Canada.

The Company's principal business is supplying renewable natural gas ("RNG"), compressed natural gas (“CNG”) and liquefied natural gas (“LNG”) (RNG can be delivered in the form of CNG or LNG) for light, medium and heavy-duty vehicles and providing operation and maintenance ("O&M") services for vehicle fleet customer stations. As a comprehensive solution provider, the Company also designs, builds, operates and maintains fueling stations; sells and services natural gas fueling compressors and other equipment used in CNG stations and LNG stations; offers assessment, design and modification solutions to provide operators with code-compliant service and maintenance facilities for natural gas vehicle fleets; transports and sells CNG and LNG via “virtual” natural gas pipelines and interconnects; procures and sells RNG; sells tradable credits it generates by selling RNG and conventional natural gas as a vehicle fuel, including Renewable Identification Numbers ("RIN Credits" or "RINs") under the federal Renewable Fuel Standard Phase 2 and credits under the California and the Oregon Low Carbon Fuel Standards (collectively, "LCFS Credits"); helps its customers acquire and finance natural gas vehicles; and obtains federal, state and local credits, grants and incentives. In addition, for all periods presented before March 31, 2017, the Company produced RNG at its own production facilities, and for all periods presented before December 29, 2017, the Company manufactured, sold and serviced natural gas fueling compressors and other equipment used in CNG stations. See Notes 3 and 4 for more information.

Basis of Presentation

The accompanying interim unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiaries, and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the Company’s financial position, results of operations, comprehensive income (loss) and cash flows as of and for the three months ended March 31, 2017 and 2018. All intercompany accounts and transactions have been eliminated in consolidation. The three month periods ended March 31, 2017 and 2018 are not necessarily indicative of the results to be expected for the year ending December 31, 2018 or for any other interim period or for any future year.

Certain information and disclosures normally included in the notes to the condensed consolidated financial statements have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”), but the resultant disclosures contained herein are in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) as they apply to interim reporting. The accompanying condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2017 that are included in the Company’s Annual Report on Form 10-K filed with the SEC on March 13, 2018.

Reclassifications

During the three months ended March 31, 2018, the Company adopted Accounting Standards Update ("ASU") No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash* (see Note 18). The new standard requires restricted cash and restricted cash equivalents to be included as components of total cash and cash equivalents as presented on the condensed statement of cash flows. As a result, the Company chose to also conform this classification on the accompanying condensed balance sheets. This resulted in prior period restricted cash of $1,127 as of December 31, 2017 being reclassified into one line item with cash and cash equivalents to conform to presentation as of March 31, 2018. In addition, Deferred revenue of $175 for the three months ended March 31, 2017 was reclassified from Accrued expenses and other as a separate line item in the accompanying condensed consolidated statements of cash flows to conform to current period presentation. These reclassifications had no material impact on the Company’s financial position, results of operations, or cash flows as previously reported.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the accompanying condensed consolidated financial statements and these notes. Actual results could differ from those estimates and may result in material effects on the Company’s operating

results and financial position. Significant estimates made in preparing the accompanying condensed consolidated financial statements include (but are not limited to) those related to revenue recognition, goodwill and long-lived asset impairment assessments, income tax valuations and fair value measurements.

Note 2—Revenue from Contracts with Customers

Adoption of New Accounting Standard

On January 1, 2018, the Company adopted Revenue from Contracts with Customers (Accounting Standards Codification Topic 606) ("Topic 606" or "new guidance") retrospectively for its contracts that were not completed as of January 1, 2018, with the cumulative effective of initially applying the guidance recognized at the date of initial application ("modified retrospective method"). Results for reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with historic accounting under Revenue Recognition (Accounting Standards Codification 605) ("Topic 605" or "previous guidance"). This adoption did not have a material impact to our condensed consolidated financial statements.

The Company recorded an increase to opening accumulated deficit of $1,293 as of January 1, 2018 due to the cumulative impact of adopting Topic 606, with the impact primarily related to the Company's volume -related revenue. As a result of applying Topic 606, during the three months ended March 31, 2018, deferred revenue and other long -term liabilities increased by $498 and notes receivable and other long -term assets, net decreased by $963, each due to the existence of significant financing components in connection with a contract for the purchase, sale and transportation of CNG and a contract for station construction, fuel and O&M services, respectively. In addition, revenue and cost of sales decreased by $119 due to certain of the Company's royalty payments being accounted for as a reduction of the transaction price and associated revenue recognized under the new guidance.

Revenue Recognition Overview

The Company recognizes revenue when control of the promised goods or services is transferred to its customers, in an amount that reflects the consideration to which it expects to be entitled in exchange for the goods or services. The Company is generally the principal in its customer contracts as it has control over the goods and services prior to them being transferred to the customer, and as such, revenue is recognized on a gross basis.

The table below presents the Company's revenues disaggregated by revenue source. Sales and usage-based taxes are excluded from revenues. Revenue is recognized net of allowances for returns and any taxes collected from customers, which are subsequently remitted to governmental authorities.

	Three Months Ended March 31,	
(in thousands)	2017	2018
Volume -Related	73,574	67,219
Compressor Sales	6,467	—
Station Construction Sales	9,263	5,798
Alternative fuels excise tax credit (“AFTC”)	—	25,481
Other	187	3,905
	$ 89,491	$ 102,403

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account in Topic 606. The performance obligations that comprise a majority of the Company's total revenue consist of (1) construction of and sale of a station or modification/upgrade of an existing station, (2) providing O&M services for the station, and (3) sale of fuel to a customer. In certain contracts with customers, the Company agrees to provide multiple goods or services, which include various combinations of these three performance obligations. These contracts have multiple performance obligations because the promise to transfer each separate good or service is separately identifiable from other promises in the contracts and, therefore, each is distinct. This evaluation requires significant judgment and the decision to combine a group of contracts or separate the combined or single contract into multiple performance obligations could change the amount of revenue recognized in one or more periods. The Company allocates a contract’s transaction price to each performance obligation using best estimates of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate the standalone selling price for fuel and O&M services is observable standalone sales, and the primary method used to estimate the standalone selling

price for station construction sales is the expected cost plus a margin approach, because the Company sells customized customer -specific solutions. Under this approach, the Company forecasts expected costs of satisfying a performance obligation and then adds an appropriate margin for the good or service.

Nature of Goods and Services

Volume -Related

The Company's volume -related revenue primarily consists of sales of CNG, LNG and RNG fuel, RINs and LCFS Credits and O&M services. Fuel and O&M services are sold pursuant to contractual commitments over defined goods -and -service delivery periods. These contracts typically include a stand -ready obligation to supply natural gas and/or provide O&M services daily based on a committed and agreed upon routine maintenance schedule or when and if called upon by the customer.

The Company recognizes revenue over time for fuel sales and O&M service sales because the customer receives and consumes the benefits provided by the Company's performance as the stand -ready obligations are being performed.

The Company seeks to sell RINs and LCFS Credits (the "government credits") to third parties who need the credits to comply with federal and state requirements. The government credits are considered variable consideration because they can either increase or decrease the transaction price based on volumes of vehicle fuel sold. Additionally, these government credits are constrained until there is an agreement in place to monetize the credits at a determinable price, at which time the constraint is removed and the government credits are included in the transaction price and revenue is recognized. RINs and LCFS Credits are included in volume -related revenues.

Payment terms and conditions vary by contract type. For substantially all the Company's of contracts under which it receives volume -related revenue, the timing of revenue recognition does not differ from the timing of invoicing; as a result the Company has determined these contracts generally do not include a significant financing component.

Compressor Sales

Because the Company completed the CEC Combination during the year ended December 31, 2017 and Topic 606 was adopted effective January 1, 2018, Topic 606 is not applicable to this source of revenue.

Station Construction Sales

Station construction contracts are generally short-term, except for certain larger and more complex stations, which can take up to 24 months to complete. For most of the Company's station construction contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single station. Hence, the entire contract is accounted for as one performance obligation. Also, as discussed under *Performance Obligations* above, certain of the Company's station construction contracts include other distinct goods or services, which requires the contract to be separated into more than one performance obligation.

The Company generally recognizes revenue over time as the Company performs under its station construction contracts because of the continuous transfer of control of the goods to the customer, who typically controls the work in process. Revenue is recognized based on the extent of progress towards completion of the performance obligation and is recorded proportionally as costs are incurred. Costs to fulfill the Company's obligations under these contracts typically include labor, materials and subcontractors' costs, other direct costs and an allocation of indirect costs.

Under the typical payment terms of the Company's station construction contracts, the customer makes either performance-based payments ("PBPs") or progress payments. PBPs are interim payments of the contract price based on quantifiable measures of performance or the achievement of specified events or milestones. Progress payments are interim payments of costs incurred as the work progresses. For some of these contracts, the Company may be entitled to receive an advance payment which is recognized as a liability because payment is in excess of revenue recognized and is presented as contract liabilities on the consolidated balance sheet. The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a construction contract and to protect the Company if the counter -party fails to adequately complete some or all of its obligations under the contract. In addition, because the customer retains a small portion of the contract price until completion of the contract, these contracts can also result in revenue recognized in excess of billings which the Company presents as contract assets on its consolidated balance sheet. Amounts billed and due from customers are classified as receivables on the Company's consolidated balance sheet. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer.

AFTC

See *Volume -Related Revenue* for a description on how the Company recognizes revenue on the government credits, which is similar for AFTC and see Note 17 for more information about AFTC generally.

Other

The majority of this other revenue is from sales of used natural gas heavy -duty trucks purchased by the Company. Revenue on these contracts is recognized at a point in time when the customer accepts delivery of the truck.

Significant Judgments and Management's Estimates Related to Revenue Recognition

Due to the nature of the work required to be performed under contracts that combine multiple performance obligations, the estimation of total revenue and cost at completion is subject to variables and requires significant judgment. As previously mentioned in *Volume -Related* above, the government credits are provisions that can either increase or decrease the transaction price based on the volume of vehicle fuel sold. The Company estimates variable consideration as the most likely amount to which it expects to be entitled. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The Company's estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are largely based on an assessment of the Company's anticipated performance and all other information (historical, current and forecasted) that is reasonably available.

The Company's contract modifications are primarily for goods or services that are not distinct from the existing contract and are typically renewals of fuel and O&M service sales or expansions in scope of an existing station construction. As a result, these modifications are accounted for as if they were part of the existing contract. The effect of a contract modification on the transaction price and the Company's measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase or a reduction) on a cumulative catch-up basis for station construction contracts and prospectively for fuel and O&M service sale contracts.

With respect to the Company's station construction contracts, refinements of estimates to account for changing conditions and new developments are continuous and characteristic of the process. Many factors that can affect contract profitability may change during the performance period of the contract, including differing site conditions, the availability of skilled contract labor, the performance of major suppliers and subcontractors, and unexpected changes in material costs. Because a significant change in one or more of these estimates could affect the profitability of these contracts, the contract price and cost estimates are reviewed periodically as work progresses and adjustments proportionate to the cost-to-cost measure of progress are reflected in contract revenues in the reporting period when such estimates are revised as discussed above. Provisions for estimated losses on uncompleted contracts are made in the period in which the losses become known. During the three months ended March 31, 2018, there were no significant losses on open contracts, significant contract penalties, settlements or changes in contract estimates.

Remaining Performance Obligations

Remaining performance obligations represents the transaction price of customer orders for which work has not been performed. As of March 31, 2018, the aggregate amount of the transaction price allocated to remaining performance obligations was $11,562, which related to the Company's station construction sale contracts. The Company expects to recognize revenue on the remaining performance obligations under these contracts over the next 12 to 24 months.

The Company has elected to apply an optional exemption under Topic 606 for its volume -related revenue, which waives the requirement to disclose the remaining performance obligation for revenue recognized from the satisfaction of the performance obligation through the "right to invoice" practical expedient. The nature of the performance obligations are the stand ready obligations to supply natural gas and/or provide O&M services daily. These performance obligations are variable consideration and constrained because the Company bills dependent upon the amount gasoline gallon equivalents of natural gas dispensed and current pricing conditions. The transaction price to allocate to the performance obligations is known and the constraint is removed upon monthly billing to the customer.

Costs to Fulfill a Contract

The Company capitalizes costs incurred to fulfill its contracts that (1) relate directly to the contract, (2) are expected to generate resources that will be used to satisfy the Company’s performance obligations under the contract, and (3) are expected to be recovered through revenue generated under the contract. Contract fulfillment costs are recorded to depreciation expense as the Company satisfies its performance obligations over the term of the contract. These costs primarily relate to set-up and other direct

installation costs incurred by our subsidiary, NG Advantage, LLC ("NG Advantage") for equipment that must be installed on customer land before NG Advantage is able to deliver CNG to the customer, because the customer does not have direct access to the natural gas pipelines. These costs are classified in land, property, and equipment, net in the accompanying condensed consolidated balance sheets. As of March 31, 2018, these costs incurred to fulfill contracts were $7,123 with accumulated depreciation of $3,888 and related amortization of $511 for the three months ended March 31, 2018**.**

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) in the accompanying condensed consolidated balance sheets. Changes in the contract asset and liability balances during the three months ended March 31, 2018, were not materially impacted by any other factors outside of normal course of business.

Receivables, Net

Receivables, net, include amounts billed and currently due from customers. The amounts due are stated at their net estimated realizable value. The Company maintains an allowance for doubtful accounts to provide for the estimated amount of receivables that will not be collected. The allowance is based upon an assessment of customer creditworthiness, historical payment experience, and the age of outstanding receivables. Receivables, net were $63,961 and $65,687 as of December 31, 2017 and March 31, 2018, respectively.

Contract Assets

Contract assets include unbilled amounts typically resulting from the Company's station construction sale contracts, when the cost-to-cost method of revenue recognition is utilized and revenue recognized exceeds the amount billed to the customer, and right to payment is not just subject to the passage of time. Amounts may not exceed their net realizable value. Contract assets of $1,356 and $1,249 are classified as current and included in prepaid expenses and other current assets in the accompanying condensed consolidated balance sheets as of December 31, 2017 and March 31, 2018, respectively.

Contract Liabilities

Contract liabilities consist of billings in excess of revenue recognized from the Company's station construction sale contracts and deferred revenue when cash payments are received or due in advance of the Company's performance obligation which are generally for the Company's volume -related revenue contracts. Billings in excess of revenue recognized of $1,092 and $4,110 are classified as current and are included in deferred revenue in the accompanying condensed consolidated balance sheets as of December 31, 2017 and March 31, 2018, respectively. Deferred revenue is classified as current or noncurrent based on when the revenue is expected to be recognized. The current portion of deferred revenue was $3,432 and $9,671 as of December 31, 2017 and March 31, 2018, respectively, and the noncurrent portion of deferred revenue of $13,413 and $11,412 is included in other long -term liabilities in the accompanying condensed consolidated balance sheets as of December 31, 2017 and March 31, 2018, respectively.

Revenue recognized during the three months ended March 31, 2018 related to the Company's contract liability balances as of December 31, 2017 was $1,842.

Note 3—Divestitures

On February 27, 2017, Clean Energy Renewable Fuels ("Renewables"), a subsidiary of the Company, entered into an asset purchase agreement (the “APA”) with BP Products North America, Inc. (“BP”), pursuant to which Renewables agreed to sell to BP certain assets relating to its RNG production business (the “BP Transaction”), consisting of Renewables’ two RNG production facilities, Renewables’ interest in joint ventures formed with a third party to develop new RNG production facilities, and Renewables’ third-party RNG supply contracts (the “Assets”). The BP Transaction was completed on March 31, 2017 for a sale price of $155,511, plus BP assumed the obligations under the Canton Bonds (as defined in Note 12), which totaled $8,820 as of March 31, 2017.

On March 31, 2017, BP paid Renewables $30,000 in cash and delivered to Renewables a promissory note with a principal amount of $123,487, which was paid in full on April 3, 2017. In addition, as a result of the determination of certain post-closing adjustments, (i) BP paid Renewables an additional $2,010 on June 22, 2017, and (ii) the gain recorded from the BP Transaction was reduced by $762 subsequent to March 31, 2017. Pursuant to the APA, the valuation date of the BP Transaction was January 1, 2017, and as a result, the APA included certain adjustments to the purchase price to reflect a determination of the amount of cash accumulated by Renewables from the valuation date to the closing date, net of permitted cash outflows. Control of the Assets was not transferred until the BP Transaction was completed on March 31, 2017. Accordingly, the full operating results of Renewables are included in the accompanying condensed consolidated statement of operations for the three months ended March 31, 2017.

In addition, under the APA, BP is required, following the closing of the BP Transaction, to pay Renewables up to an additional $25,000 in cash over a five-year period if certain performance criteria relating to the Assets are met. The Company satisfied the performance criteria for the first such period, which ended on December 31, 2017, and as a result, the Company recognized $772, net as of December 31, 2017, which is included in the total gain on the BP Transaction.

The Company incurred $3,695 in transaction fees in connection with the BP Transaction, and subsequent to March 31, 2017 through March 31, 2018, the Company has paid $8,605 in cash and issued 770,269 shares of the Company's common stock, collectively valued at $1,964, to former holders of options to purchase membership units in Renewables (the "Option Holders"). The net proceeds as of March 31, 2018 from the BP Transaction, net of $1,007 cash transferred to BP, were $143,061.

Following completion of the BP Transaction, Renewables and the Company are continuing to procure RNG from BP under a long-term supply contract and from other RNG suppliers, and resell such RNG through the Company's natural gas fueling infrastructure as Redeem, the Company's RNG vehicle fuel. The Company also collects royalties from BP on gas purchased from BP and sold as Redeem at the Company's stations, which royalty is in addition to any payment obligation of BP under the APA.

The BP Transaction resulted in a total gain of $70,648 as of December 31, 2017. Included in the amount of total gain is goodwill of $26,576 that was allocated to the disposed assets based on the relative fair values of the assets disposed and the portion of the reporting unit that was retained.

The Company determined that the BP Transaction did not meet the definition of a discontinued operation because the disposal did not represent a significant disposal nor was the disposal a strategic shift in the Company's strategy.

Note 4— Investments in Other Entities and Noncontrolling Interest in a Subsidiary

SAFE&CEC S.r.l.

On November 26, 2017, the Company, through its former subsidiary, Clean Energy Compression Corp. ("CEC"), entered into an investment agreement with Landi Renzo S.p.A. (“LR”), an alternative fuels company based in Italy, pursuant to which the Company and LR agreed to combine their respective natural gas compressor subsidiaries, CEC and SAFE S.p.A, in a new company known as “SAFE&CEC S.r.l.” (such combination transaction, the “CEC Combination”). SAFE&CEC S.r.l. is focused on manufacturing, selling and servicing natural gas fueling compressors and related equipment for the global natural gas fueling market. Upon the closing of the CEC Combination, which occurred on December 29, 2017, the Company owns 49% of SAFE&CEC S.r.l. and LR owns 51% of SAFE&CEC S.r.l.

The Company accounts for its interest in SAFE&CEC S.r.l. using the equity method of accounting because the Company does not control but has the ability to exercise significant influence over SAFE&CEC S.r.l.'s operations. The Company recorded a loss from this investment of $1,441 for the three months ended March 31, 2018. The Company has an investment balance in SAFE&CEC S.r.l. of $27,883 and $26,442 as of December 31, 2017 and March 31, 2018, respectively.

The Company determined that the CEC Combination did not meet the definition of a discontinued operation because the disposal did not represent a strategic shift that will have a major effect on the Company's operations and financial results.

MCEP

On September 16, 2014, the Company formed a joint venture with Mansfield Ventures LLC (“Mansfield Ventures”) called Mansfield Clean Energy Partners LLC (“MCEP”), which is designed to provide natural gas fueling solutions to bulk fuel haulers in the United States. The Company and Mansfield Ventures each have a 50% ownership interest in MCEP. The Company accounts for its interest in MCEP using the equity method of accounting, because the Company does not control but has the ability to exercise significant influence over MCEP’s operations. The Company recorded a loss from this investment of $36 and $27 for the three months ended March 31, 2017 and 2018, respectively. The Company has an investment balance in MCEP of $1,512 and $1,485 as of December 31, 2017 and March 31, 2018, respectively.

NG Advantage

On October 14, 2014, the Company entered into a Common Unit Purchase Agreement (“UPA”) with NG Advantage for a 53.3% controlling interest in NG Advantage. NG Advantage is engaged in the business of transporting CNG in high-capacity trailers to industrial and institutional energy users, such as hospitals, food processors, manufacturers and paper mills that do not have direct access to natural gas pipelines. The Company viewed the acquisition as a strategic investment in the expansion of the Company’s initiative to deliver natural gas to industrial and institutional energy users. The results of NG Advantage’s operations have been included in the Company’s consolidated financial statements since October 14, 2014.

On July 14, 2017, the Company contributed to NG Advantage all of its right, title and interest in and to a CNG fueling station located in Milton, Vermont. The Company had purchased this CNG station from NG Advantage in October 2014 in connection with the UPA, and at that time, the Company entered into a lease agreement with NG Advantage to lease the station back to NG Advantage. This lease agreement was terminated contemporaneously with the contribution of the station to NG Advantage in July 2017. As consideration for the contribution, NG Advantage issued to the Company Series A Preferred Units with an aggregate value of $7,500. The Series A Preferred Units provide for an accrued return in the event of a liquidation event with respect to NG Advantage and will convert into common units of NG Advantage if and when it completes a future equity financing that satisfies certain specified conditions; however, the Series A Preferred Units do not, in themselves, increase the Company's controlling interest in NG Advantage. As a result, immediately following the contribution, the Company's controlling interest in NG Advantage remained at 53.3%.

On February 28, 2018, the Company entered into a guaranty agreement with NG Advantage and one of its customers for the purchase, sale and transportation of CNG. The Company guarantees NG Advantage's payment obligations in the event of default up to $30,000 plus related fees. This guaranty is in effect until thirty days following the Company's notice to NG Advantage's customer of its termination. As consideration for the guaranty agreement, NG Advantage issued to the Company 19,660 common units, which increased the Company's controlling interest in NG Advantage from 53.3% to 53.5%.

Net income included a loss from the noncontrolling interest in NG Advantage of $335 and $1,749 for the three months ended March 31, 2017 and 2018, respectively. The noncontrolling interest was $22,668 and $20,919 as of December 31, 2017 and March 31, 2018, respectively.

Note 5—Cash, Cash Equivalents, and Restricted Cash

The Company considers all highly liquid investments with maturities of three months or less on the date of acquisition to be cash equivalents. The Company places its cash and cash equivalents with high credit quality financial institutions.

At times, such investments may be in excess of the Federal Deposit Insurance Corporation (“FDIC”) and Canadian Deposit Insurance Corporation (“CDIC”). Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. The amounts in excess of FDIC and other foreign insurance limits were approximately $34,709 and $43,793 as of December 31, 2017 and March 31, 2018, respectively.

The Company classifies restricted cash as short-term and a current asset if the cash is expected to be used in operations within a year or to acquire a current asset. Otherwise, the restricted cash is classified as long-term. Short-term restricted cash as of December 31, 2017 and March 31, 2018 consisted of standby letters of credit renewed annually in an aggregate amount of $1,127, and an additional $750 held in escrow as of March 31, 2018. As of December 31, 2017 and March 31, 2018, the Company had no long-term restricted cash.

Note 6—Investments

Available-for-sale securities are carried at fair value, inclusive of unrealized gains and losses. During the three months ended March 31, 2018, the Company adopted ASU No. 2016-01, *Financial Instruments: Recognition and Measurement of Financial Assets and Financial Liabilities* (see Note 18 for more information). Upon adoption, unrealized gains and losses are included in

other income (expense), net for equity securities. Unrealized gains and losses for debt securities continue to be recognized in other comprehensive income (loss) net of applicable income taxes. Gains or losses on sales of available-for-sale securities are recognized on the specific identification basis. All of the Company's short-term investments are classified as available-for-sale securities.

Short-term investments as of December 31, 2017 consisted of the following:

	Amortized Cost	Gross Unrealized Losses	Estimated Fair Value
Municipal bonds and notes	$ 21,414	$ (49)	$ 21,365
Zero coupon bonds	54,159	(33)	54,126
Corporate bonds	55,109	(40)	55,069
Certificate of deposits	10,902	—	10,902
Total short-term investments	$ 141,584	$ (122)	$ 141,462

Short-term investments as of March 31, 2018 consisted of the following:

	Amortized Cost	Gross Unrealized Losses	Estimated Fair Value
Municipal bonds and notes	$ 21,481	$ (116)	$ 21,365
Zero coupon bonds	52,153	(34)	52,119
Corporate bonds	43,737	(37)	43,700
Certificate of deposits	10,945	—	10,945
Total short-term investments	$ 128,316	$ (187)	$ 128,129

Note 7—Fair Value Measurements

The Company follows the authoritative guidance for fair value measurements with respect to assets and liabilities that are measured at fair value on a recurring basis and non-recurring basis. Under the standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. The standard also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the factors market participants would use in valuing the asset or liability developed based upon the best information available in the circumstances. The hierarchy consists of the following three levels: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly; Level 3 inputs are unobservable inputs for the asset or liability. Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

As of March 31, 2018, the Company's financial instruments consisted of available-for-sale securities, liability-classified warrants, and debt instruments. The Company’s available-for-sale securities are classified within Level 2 because they are valued using the most recent quoted prices for identical assets in markets that are not active and quoted prices for similar assets in active markets. The liability-classified warrants are classified within Level 3 because the Company uses the Black-Scholes option pricing model to estimate the fair value based on inputs that are not observable in any market. The fair values of the Company's debt instruments approximated their carrying values as of December 31, 2017 and March 31, 2018. See Note 12 for more information about the Company's debt instruments. There were no transfers of assets between Level 1, Level 2, or Level 3 of the fair value hierarchy as of December 31, 2017 and March 31, 2018, respectively.

The following tables provide information by level for assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2017 and March 31, 2018, respectively:

Description	Balance at December 31, 2017	Level 1	Level 2	Level 3
Assets:				
Available-for-sale securities(1):				
Municipal bonds and notes	$ 21,365	$ —	$ 21,365	$ —
Zero coupon bonds	54,126	—	54,126	—
Corporate bonds	55,069	—	55,069	—
Certificate of deposits	10,902	—	10,902	—
Liabilities:				
Warrants(2)	536	—	—	536

Description	Balance at March 31, 2018	Level 1	Level 2	Level 3
Assets:				
Available-for-sale securities(1):				
Municipal bonds and notes	$ 21,365	$ —	$ 21,365	$ —
Zero coupon bonds	52,119	—	52,119	—
Corporate bonds	43,700	—	43,700	—
Certificate of deposits	10,945	—	10,945	—
Liabilities:				
Warrants(2)	515	—	—	515

(1) Included in short-term investments in the accompanying condensed consolidated balance sheets. See Note 6 for more information.
(2) Included in accrued liabilities and other long-term liabilities in the accompanying condensed consolidated balance sheets.

Note 8—Other Receivables

Other receivables as of December 31, 2017 and March 31, 2018 consisted of the following:

	December 31, 2017	March 31, 2018
Loans to customers to finance vehicle purchases	$ 4,746	$ 5,163
Accrued customer billings	10,072	6,465
Fuel tax credits	177	36,935
Other	4,240	5,098
Total other receivables	$ 19,235	$ 53,661

Note 9—Inventory

Inventory consists of raw materials and spare parts, work in process and finished goods and is stated at the lower of cost (first-in, first-out) or net realizable value. The Company writes down the carrying value of its inventory to net realizable value for estimated obsolescence or unmarketable inventory in an amount equal to the difference between the cost of inventory and its estimated realizable value based upon assumptions about future demand and market conditions, among other factors.

Inventories as of December 31, 2017 and March 31, 2018 consisted of the following:

	December 31, 2017	March 31, 2018
Raw materials and spare parts	$ 35,145	$ 37,702
Finished goods	93	90
Total inventories	$ 35,238	$ 37,792

Note 10—Land, Property and Equipment

Land, property and equipment as of December 31, 2017 and March 31, 2018 consisted of the following:

	December 31, 2017	March 31, 2018
Land	$ 2,858	$ 2,858
LNG liquefaction plants	94,634	94,634
Station equipment	304,090	306,666
Trailers	70,906	71,565
Other equipment	88,313	93,555
Construction in progress	74,905	74,748
	635,706	644,026
Less: accumulated depreciation	(268,401)	(280,123)
Total land, property and equipment, net	$ 367,305	$ 363,903

Included in land, property and equipment are capitalized software costs of $26,003 and $27,379 as of December 31, 2017 and March 31, 2018, respectively. The accumulated amortization of the capitalized software costs is $18,737 and $19,455 as of December 31, 2017 and March 31, 2018, respectively.

The Company recorded amortization expense related to the capitalized software costs of $872 and $718 during the three months ended March 31, 2017 and 2018, respectively.

As of March 31, 2017 and 2018, $2,884 and $939, respectively, are included in accounts payable and accrued liabilities balances, which amounts are related to purchases of property and equipment. These amounts are excluded from the condensed consolidated statements of cash flows as they are non-cash investing activities.

Note 11—Accrued Liabilities

Accrued liabilities as of December 31, 2017 and March 31, 2018 consisted of the following:

	December 31, 2017	March 31, 2018
Accrued alternative fuels incentives (1)	$ 2,954	$ 14,812
Accrued employee benefits	2,378	2,983
Accrued interest	1,486	35
Accrued gas and equipment purchases	8,722	7,630
Accrued property and other taxes	4,582	5,641
Salaries and wages	8,363	2,787
Other (2)	13,783	11,502
Total accrued liabilities	$ 42,268	$ 45,390

(1) Includes the amount of RINs and LCFS Credits and, as of March 31, 2018, the amount of AFTC payable to third parties. The AFTC had expired as of December 31, 2017, but was reinstated in February 2018 for vehicle fuel sales made from January 1, 2017 through December 31, 2017. See Note 17 for more information about AFTC.

(2) The amount as of December 31, 2017 and March 31, 2018 includes lease termination fees and asset retirement obligations related to the closure of certain fueling stations and working capital adjustments, in the third and fourth quarters of 2017, funding for certain commitments, and transaction fees incurred as a result of the CEC Combination (see Note 4 for more information).

Note 12—Debt

Debt and capital lease obligations as of December 31, 2017 and March 31, 2018 consisted of the following and are further discussed below:

	December 31, 2017		
	Principal Balances	Unamortized Debt Financing Costs	Balance, Net of Financing Costs
7.5% Notes	$ 125,000	$ 131	$ 124,869
5.25% Notes	110,450	454	109,996
Capital lease obligations	802	—	802
NG Advantage debt	23,437	259	23,178
Other debt	1,242	—	1,242
Total debt and capital lease obligations	260,931	844	260,087
Less amounts due within one year	(140,223)	(524)	(139,699)
Total long-term debt and capital lease obligations	$ 120,708	$ 320	$ 120,388

	March 31, 2018		
	Principal Balances	Unamortized Debt Financing Costs	Balance Net of Financing Costs
7.5% Notes	$ 125,000	$ 108	$ 124,892
5.25% Notes	110,450	301	110,149
Capital lease obligations	882	—	882
NG Advantage debt	29,437	322	29,115
Other debt	1,188	—	1,188
Total debt and capital lease obligations	266,957	731	266,226
Less amounts due within one year	(141,106)	(371)	(140,735)
Total long-term debt and capital lease obligations	$ 125,851	$ 360	$ 125,491

7.5% Notes

On July 11, 2011, the Company entered into a loan agreement (the “CHK Agreement”) with Chesapeake NG Ventures Corporation (“Chesapeake”), an indirect wholly owned subsidiary of Chesapeake Energy Corporation, whereby Chesapeake agreed to purchase from the Company up to $150,000 of debt securities pursuant to the issuance of three convertible promissory notes over a three-year period, each having a principal amount of $50,000 (each a “CHK Note” and collectively the “CHK Notes” and, together with the CHK Agreement and other transaction documents, the “CHK Loan Documents”). The first CHK Note was issued on July 11, 2011 and the second CHK Note was issued on July 10, 2012.

On June 14, 2013 (the “Transfer Date”), our co-founder and board member T. Boone Pickens and Green Energy Investment Holdings, LLC ("GEIH"), an affiliate of Leonard Green & Partners, L.P. (collectively, the “Buyers”), and Chesapeake entered into a note purchase agreement (“Note Purchase Agreement”) pursuant to which Chesapeake sold the outstanding CHK Notes (the “Sale”) to the Buyers. Chesapeake assigned to the Buyers all of its right, title and interest under the CHK Loan Documents (the “Assignment”), and each Buyer severally assumed all of the obligations of Chesapeake under the CHK Loan Documents arising after the Sale and the Assignment including, without limitation, the obligation to advance an additional $50,000 to the Company in June 2013 (the “Assumption”). The Company also entered into the Note Purchase Agreement for the purpose of consenting to the Sale, the Assignment and the Assumption.

Contemporaneously with the execution of the Note Purchase Agreement, the Company entered into a loan agreement with each Buyer (collectively, the “Amended Agreements”). The Amended Agreements have the same terms as the CHK Agreement, other than changes to reflect the new holders of the CHK Notes. Immediately following execution of the Amended Agreements, the Buyers delivered $50,000 to the Company in satisfaction of the funding requirement they had assumed from Chesapeake (the “2013 Advance”). In addition, the Company canceled the existing CHK Notes and issued replacement notes, and the Company also issued notes to the Buyers in exchange for the 2013 Advance (the replacement notes and the notes issued in exchange for the 2013 Advance are referred to herein as the “7.5% Notes”).

The 7.5% Notes have the same terms as the original CHK Notes, other than changes to reflect their different holders. They bear interest at the rate of 7.5% per annum and are convertible at the option of the holder into shares of the Company’s common stock at a conversion price of $15.80 per share (the “7.5% Notes Conversion Price”). Upon written notice to the Company,

each holder of a 7.5% Note has the right to exchange all or any portion of the principal and accrued and unpaid interest under its 7.5% Notes for shares of the Company's common stock at the 7.5% Notes Conversion Price.

Additionally, subject to certain restrictions, the Company can force conversion of each 7.5% Note into shares of its common stock if, following the second anniversary of the issuance of a 7.5% Note, such shares trade at a 40% premium to the 7.5% Notes Conversion Price for at least 20 trading days in any consecutive 30 trading day period.

The entire principal balance of each 7.5% Note is due and payable seven years following its issuance and the Company may repay each 7.5% Note at maturity in shares of its common stock (provided that the Company may not issue more than 13,993,630 shares of its common stock to holders of 7.5% Notes) or cash. All of the shares issuable upon conversion of the 7.5% Notes have been registered for resale by their holders pursuant to a registration statement that has been filed with and declared effective by the SEC.

The Amended Agreements provide for customary events of default which, if any of them occurs, would permit or require the principal of, and accrued interest on, the 7.5% Notes to become, or to be declared, due and payable. No events of default under the 7.5% Notes had occurred as of March 31, 2018.

On August 27, 2013, GEIH transferred $5,000 in principal amount of its 7.5% Notes to certain third parties.

On February 9, 2017, the Company purchased from Mr. Pickens, his 7.5% Note due July 2018 having an outstanding principal amount of $25,000 for a cash purchase price of $21,750. The Company's repurchase of this 7.5% Note resulted in a gain of $3,191 for the three months ended March 31, 2017.

On February 21, 2017, GEIH transferred $11,800 in principal amount of its 7.5% Notes to certain third parties.

On November 17, 2017, Mr. Pickens transferred all remaining $40,000 in principal amount of his 7.5% Notes to third parties.

As a result of the foregoing transactions, as of March 31, 2018, (i) GEIH held 7.5% Notes in an aggregate principal amount of $68,200, and (ii) other third parties held 7.5% Notes in an aggregate principal amount of $56,800.

5.25% Notes

In September 2013, the Company completed a private offering of $250,000 in principal amount of 5.25% Convertible Senior Notes due 2018 (the "5.25% Notes") and entered into an indenture governing the 5.25% Notes (the "Indenture").

The net proceeds from the sale of the 5.25% Notes after the payment of certain debt issuance costs of $7,805 were $242,195. The Company has used the net proceeds from the sale of the 5.25% Notes to fund capital expenditures and for general corporate purposes. The 5.25% Notes bear interest at a rate of 5.25% per annum, payable semi-annually in arrears on October 1 and April 1 of each year, beginning on April 1, 2014. The 5.25% Notes will mature on October 1, 2018, unless purchased, redeemed or converted prior to such date in accordance with their terms and the terms of the Indenture.

Holders may convert their 5.25% Notes, at their option, at any time prior to the close of business on the business day immediately preceding the maturity date of the 5.25% Notes. Upon conversion, the Company will deliver a number of shares of its common stock, per $1 principal amount of 5.25% Notes, equal to the conversion rate then in effect (together with a cash payment in lieu of any fractional shares). The initial conversion rate for the 5.25% Notes is 64.1026 shares of the Company's common stock per $1 principal amount of 5.25% Notes (which is equivalent to an initial conversion price of approximately $15.60 per share of the Company's common stock). The conversion rate is subject to adjustment upon the occurrence of certain specified events as described in the Indenture. Upon the occurrence of certain corporate events prior to the maturity date of the 5.25% Notes, the Company will, in certain circumstances, in addition to delivering the number of shares of the Company's common stock deliverable upon conversion of the 5.25% Notes based on the conversion rate then in effect (together with a cash payment in lieu of any fractional shares), pay holders that convert their 5.25% Notes a cash make-whole payment in an amount as described in the Indenture. The Company may, at its option, irrevocably elect to settle its obligation to pay any such make-whole payment in shares of its common stock instead of in cash.

The amount of any make-whole payment, whether it is settled in cash or in shares of the Company's common stock upon the Company's election, will be determined based on the date on which the corporate event occurs or becomes effective and the stock price paid (or deemed to be paid) per share of the Company's common stock in the corporate event, as described in the Indenture.

The Company may not redeem the 5.25% Notes prior to October 5, 2016. On or after October 5, 2016, the Company may, at its option, redeem for cash all or any portion of the 5.25% Notes if the closing sale price of the Company's common stock for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period ending on, and including,

the trading day immediately preceding the date on which notice of redemption is provided, exceeds 160% of the conversion price on each applicable trading day. In the event of the Company's redemption of the 5.25% Notes, the redemption price will equal 100% of the principal amount of the 5.25% Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for in the 5.25% Notes.

If the Company undergoes a fundamental change (as defined in the Indenture) prior to the maturity date of the 5.25% Notes, subject to certain conditions as described in the Indenture, holders may require the Company to purchase, for cash, all or any portion of their 5.25% Notes at a repurchase price equal to 100% of the principal amount of the 5.25% Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change purchase date.

The Indenture contains customary events of default with customary cure periods, including, without limitation, failure to make required payments or deliveries of shares of the Company's common stock when due under the Indenture, failure to comply with certain covenants under the Indenture, failure to pay when due or acceleration of certain other indebtedness of the Company or certain of its subsidiaries, and certain events of bankruptcy and insolvency of the Company or certain of its subsidiaries. The occurrence of an event of default under the Indenture will allow either the trustee or the holders of at least 25% in principal amount of the then-outstanding 5.25% Notes to accelerate, or upon an event of default arising from certain events of bankruptcy or insolvency of the Company, will automatically cause the acceleration of, all amounts due under the 5.25% Notes. No events of default under the 5.25% Notes had occurred as of March 31, 2018.

The 5.25% Notes are senior unsecured obligations of the Company and rank senior in right of payment to the Company's future indebtedness that is expressly subordinated in right of payment to the 5.25% Notes; equal in right of payment to the Company's unsecured indebtedness that is not so subordinated; effectively junior to any of the Company's secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness (including trade payables) of the Company's subsidiaries.

The Company has paid an aggregate of $84,344 in cash and issued an aggregate of 6,265,829 shares of its common stock to repurchase or exchange an aggregate of $139,550 in aggregate principal amount of the 5.25% Notes, together with all accrued and unpaid interest thereon. No such repurchases or exchanges occurred during the three months ended March 31, 2017 or 2018. All repurchased and exchanged 5.25% Notes have been surrendered to the trustee for such notes and canceled in full and the Company has no further obligations under such notes.

Plains Credit Facility

On February 29, 2016, the Company entered into a Loan and Security Agreement (the "Plains LSA") with PlainsCapital Bank ("Plains"), pursuant to which Plains agreed to lend the Company up to $50,000 on a revolving basis from time to time for a term of one year (the "Credit Facility"). All amounts advanced under the Credit Facility were due and payable on February 28, 2017. Simultaneously, the Company drew $50,000 under this Credit Facility, which the Company repaid in full on August 31, 2016. On October 31, 2016, the Plains LSA was amended solely to extend the Credit Facility's maturity date from February 28, 2017 to September 30, 2018. On December 22, 2016, the Company drew $23,500 under the Credit Facility, which the Company repaid in full on March 31, 2017. As a result, the Company had no amounts outstanding under the Credit Facility as of March 31, 2018.

The Credit Facility is evidenced by a promissory note the Company issued on February 29, 2016 in favor of Plains (the "Plains Note"). Interest on the Plains Note is payable monthly and accrues at a rate equal to the greater of (i) the then-current LIBOR rate plus 2.30% or (ii) 2.70%. As collateral security for the prompt payment in full when due of the Company's obligations to Plains under the Plains LSA and the Plains Note, the Company pledged to and granted Plains a security interest in all of its right, title and interest in the cash and corporate and municipal bonds rated AAA, AA or A by Standard & Poor's Rating Services that the Company holds in an account at Plains. In connection with such pledge and security interest granted under the Credit Facility, on February 29, 2016, the Company entered into a Pledged Account Agreement with Plains and PlainsCapital Bank - Wealth Management and Trust (the "Pledge Agreement" and collectively with the Plains LSA and the Plains Note, the "Plains Loan Documents").The Plains Loan Documents include certain covenants of the Company and also provide for customary events of default, which, if any of them occurs, would permit or require, among other things, the principal of, and accrued interest on, the Credit Facility to become, or to be declared, due and payable. Events of default under the Plains Loan Documents include, among others, the occurrence of certain bankruptcy events, the failure to make payments when due under the Plains Note and the transfer or disposal of the collateral under the Plains LSA. No events of default under the Plains Loan Documents had occurred as of March 31, 2018.

Canton Bonds

On March 19, 2014, Canton Renewables, LLC ("Canton"), a former subsidiary of the Company, completed the issuance of Solid Waste Facility Limited Obligation Revenue Bonds (Canton Renewables, LLC — Sauk Trail Hills Project) Series 2014 in the aggregate principal amount of $12,400 (the "Canton Bonds").

The Canton Bonds were issued by the Michigan Strategic Fund (the "Issuer") and the proceeds of the issuance were loaned by the Issuer to Canton pursuant to a loan agreement that became effective on March 19, 2014.

On March 31, 2017, Canton was sold to BP in the BP Transaction (see Note 3). As a result, the Canton Bonds became the obligation of BP as of such date.

NG Advantage Debt

NG Advantage has debt for trailers and equipment due at various dates through 2025 bearing interest at rates up to 8.76%, with weighted -average interest rates of 4.98% and 5.88%, as of December 31, 2017 and March 31, 2018, respectively. NG Advantage pledged to and granted a security interest in all of its right, title and interest in the CNG trailers and equipment purchased with the proceeds received from various creditors.

Other Debt

The Company has other debt due at various dates through 2023 bearing interest at rates up to 5.02%, with weighted -average interest rates of 4.79% and 4.79% as of December 31, 2017 and March 31, 2018, respectively.

Note 13—Net Income Per Share

Basic net income per share is computed by dividing the net income attributable to Clean Energy Fuels Corp. by the weighted-average number of common shares outstanding and common shares issuable for little or no cash consideration during the period. Diluted net income per share is computed by dividing the net income attributable to Clean Energy Fuels Corp. by the weighted-average number of common shares outstanding and common shares issuable for little or no cash consideration during the period and potentially dilutive securities outstanding during the period, and therefore reflects the dilution from common shares that may be issued upon exercise or conversion of these potentially dilutive securities, such as stock options, warrants, convertible notes and restricted stock units. The dilutive effect of stock awards and warrants is computed under the treasury stock method. The dilutive effect of convertible notes and restricted stock units is computed under the if-converted method. Potentially dilutive securities are excluded from the computations of diluted net income per share if their effect would be antidilutive.

The information required to compute basic and diluted net income per share is as follows:

	Three Months Ended March 31,	
	2017	2018
Weighted-average common shares outstanding	148,847,503	152,194,695
Dilutive effect of potential common shares from restricted stock units and stock options	4,124,650	4,448,397
Weighted-average common shares outstanding - diluted	152,972,153	156,643,092

The following potentially dilutive securities have been excluded from the diluted net income per share calculations because their effect would have been antidilutive. Although these securities were antidilutive for these periods, they could be dilutive in future periods.

	Three Months Ended March 31,	
	2017	2018
Stock Options	12,426,603	8,573,749
Convertible Notes	14,991,521	14,991,521
Total	27,418,124	23,565,270

At-The-Market Offering Program

On May 31, 2017, the Company terminated its equity distribution agreement (the "Sales Agreement") with Citigroup Global Markets Inc. ("Citigroup"), as sales agent and/or principal. The Sales Agreement was terminable at will upon written notification by the Company with no penalty. Pursuant to the Sales Agreement, the Company was entitled to issue and sell, from time to time through or to Citigroup, shares of its common stock having an aggregate offering price of up to $200,000 in an "at-the-market" offering program (the "ATM Program"). The ATM Program commenced on November 11, 2015 when the Company and Citigroup entered into the original equity distribution agreement, which was amended and restated on September 9, 2016 and again on December 21, 2016 prior to its termination.

The following table summarizes the activity under the ATM Program for the period presented:

(in 000s, except per-share amounts)	Three Months Ended March 31, 2017
Gross proceeds	$ 10,767
Fees and issuance costs	254
Net proceeds	$ 10,513
Shares issued	3,802,500

Note 14—Stock-Based Compensation

The following table summarizes the compensation expense and related income tax benefit related to the Company's stock-based compensation arrangements recognized in the accompanying condensed consolidated statements of operations during the periods:

	Three Months Ended March 31,	
	2017	2018
Stock-based compensation expense, net of $0 tax in 2017 and 2018	$ 1,910	$ 1,898

As of March 31, 2018, there was $8,340 of total unrecognized compensation costs related to unvested shares subject to outstanding stock options and restricted stock units, which is expected to be expensed over a weighted-average period of approximately 2.34 years.

Note 15—Income Taxes

The Company's income tax benefit (expense) was $2,263 and $(88) for the three months ended March 31, 2017 and 2018, respectively. Tax benefit (expense) for all periods was comprised of taxes due on the Company's U.S. and foreign operations. The increase in the Company's income tax expense for the three months ended March 31, 2018 as compared to the tax benefit for the three months ended March 31, 2017 was primarily due to a decrease in the deferred tax benefit attributed to the reduction of goodwill amortization following the BP Transaction (see Note 3). The effective tax rates for the three months ended March 31, 2017 and 2018 are different from the federal statutory tax rate primarily as a result of losses for which no tax benefit has been recognized.

Following the BP Transaction, the Company also benefited from the utilization of federal and state net operating loss ("NOL") carryovers that offset all of the Company's federal and the majority of its state taxes. In addition to the decrease in its deferred tax liability of $2,493 attributed to the reduction in goodwill following the BP Transaction, the utilization of NOLs also resulted in a decrease of $29,768 in the Company's deferred tax assets attributed to NOLs and a corresponding decrease in the Company's deferred tax asset valuation allowance.

The Company increased its liability for unrecognized tax benefits in the three months ended March 31, 2018 by $2,689, which was attributable to the portion of AFTC revenue recognized in the period that was offset by the fuel tax the Company collected from its customers as an unrecognized tax benefit during the year ended December 31, 2017. The net interest incurred was immaterial for both the three months ended March 31, 2017 and 2018, respectively.

Note 16—Commitments and Contingencies

Environmental Matters

The Company is subject to federal, state, local and foreign environmental laws and regulations. The Company does not anticipate any expenditures to comply with such laws and regulations that would have a material impact on the Company's consolidated financial position, results of operations or liquidity. The Company believes that its operations comply, in all material respects, with applicable federal, state, local and foreign environmental laws and regulations.

Litigation, Claims and Contingencies

The Company may become party to various legal actions that arise in the ordinary course of its business. The Company is also subject to audit by tax and other authorities for varying periods in various federal, state, local and foreign jurisdictions, and disputes may arise during the course of these audits. It is impossible to determine the ultimate liabilities that the Company may incur resulting from any of these lawsuits, claims, proceedings, audits, commitments, contingencies and related matters or the timing of these liabilities, if any. If these matters were to ultimately be resolved unfavorably, it is possible that such an outcome could have a material adverse effect upon the Company’s consolidated financial position, results of operations, or liquidity. The Company, does not, however, anticipate such an outcome and it believes the ultimate resolution of these matters will not have a material adverse effect on the Company’s consolidated financial position, results of operations, or liquidity.

Note 17—Alternative Fuels Excise Tax Credit

Under separate pieces of U.S. federal legislation, the Company has been eligible to receive the AFTC tax credit for its natural gas vehicle fuel sales made between October 1, 2006 and December 31, 2017. The AFTC, which had previously expired on December 31, 2016, was reinstated on February 9, 2018 to apply to vehicle fuel sales made from January 1, 2017 through December 31, 2017. The AFTC credit is equal to $0.50 per gasoline gallon equivalent of CNG that the Company sold as vehicle fuel, $0.50 per liquid gallon of LNG that the Company sold as vehicle fuel through 2015, and $0.50 per diesel gallon of LNG that the Company sold as vehicle fuel in 2016 and 2017.

Based on the service relationship with its customers, either the Company or its customers claims the credit. The Company records its AFTC credits, if any, as revenue in its consolidated statements of operations because the credits are fully payable and do not need to offset income tax liabilities to be received. As such, the credits are not deemed income tax credits under the accounting guidance applicable to income taxes.

As a result of the most recent legislation authorizing AFTC being signed into law on February 9, 2018, all AFTC revenue for vehicle fuel the Company sold in the 2017 calendar year, has been recognized in the three months ended March 31, 2018 and will be received subsequent that date. AFTC revenue recognized for the three months ended March 31, 2017 and 2018 was $0 and $25,481, respectively. AFTC is not currently available, and may not be reinstated, for vehicle fuel sales made after December 31, 2017.

Note 18—Recently Adopted Accounting Changes and Recently Issued Accounting Standards

Recently Adopted Accounting Changes

In February 2018, the FASB issued ASU 2018-02, *Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects From Accumulated Other Comprehensive Income*, which allows for a reclassification from accumulated other comprehensive income (AOCI) to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act (the "TCJA"). This update is effective for fiscal years beginning after December 15, 2018, which for the Company is the first quarter of 2019, with early adoption permitted. The Company elected to early adopt this ASU during the three months ended March 31, 2018, which did not have any impact on the accompanying condensed consolidated financial statements or related disclosures. The Company did not elect to reclassify the stranded tax effects of the TCJA as there were none.

In December 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash.* The new standard requires restricted cash and restricted cash equivalents to be included as components of total cash and cash equivalents as presented on the statement of cash flows. This pronouncement is effective for reporting periods beginning after December 15, 2017, which for the Company is the first quarter of 2018. The Company adopted this standard on a retrospective basis, and adoption did not have a material impact on the Company’s consolidated financial statements or related disclosures. As a result of including restricted cash with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts presented in the accompanying condensed consolidated statement of cash flows, net cash flows decreased by $6,743 for the three months ended March 31, 2017 (see Note 1).

In September 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Payments*. The new standard provides clarification as to the classification of certain transactions as operating, investing or financing activities. This pronouncement is effective for reporting periods beginning after December 15, 2017, which for the Company is the first quarter of 2018. Adoption of this standard did not have any impact on the accompanying condensed consolidated financial statements and related disclosures for the three months ended March 31, 2018.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments: Recognition and Measurement of Financial Assets and Financial Liabilities*. In February 2018, the FASB subsequently issued ASU 2018-03, *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The new standard requires equity investments to be measured at fair value with changes in fair value recognized in net income, simplifies the impairment assessment of equity investments without readily determinable fair values, eliminates the requirement to disclose the methods and significant assumptions used to estimate fair value, requires use of the exit price notion when measuring fair value, requires separate presentation in certain financial statements, and requires an evaluation of the need for a valuation allowance on a deferred tax asset related to available-for-sale securities. The new standard is effective for fiscal years beginning after December 15, 2017, which for the Company is the first quarter of 2018. Adoption of this standard did not have any impact on the accompanying consolidated financial statements and related disclosures for the three months ended March 31, 2018.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* , which amends the guidance in former ASC Topic 605, *Revenue Recognition* , to provide a single, comprehensive revenue recognition model for all contracts with customers. The new standard requires an entity to recognize revenue in a manner that depicts the transfer of promised goods or services to customers in amounts that reflect the consideration to which an entity expects to be entitled in exchange for those goods or services. The new standard also requires entities to enhance disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The standard is effective for fiscal years beginning after December 15, 2017, which for the Company is the first quarter of 2018. The Company adopted this standard using the modified retrospective method. See Note 2 of these condensed consolidated financial statements for more information and related disclosures.

Recently Issued Accounting Standards

In February 2016, the FASB issued ASU 2016-02, *Leases* and in January 2018, the FASB issued ASU 2018-01, *Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842*. The new standard requires most leases to be recognized on the balance sheet which will increase reported assets and liabilities. Lessor accounting remains substantially similar to current guidance. The new standard is effective for annual and interim periods in fiscal years beginning after December 15, 2018, which for the Company is the first quarter of 2019, and mandates adoption using a modified retrospective method. The Company is evaluating the impact this ASU will have on its consolidated financial statements and related disclosures.

Note 19—Subsequent Events

On May 9, 2018, the Company entered into a stock purchase agreement (the "Purchase Agreement") with Total Marketing Services, S.A., a wholly owned subsidiary of Total S.A. ("Total"). Pursuant to the Purchase Agreement, the Company agreed to sell and issue, and Total agreed to purchase, up to 50,856,296 shares of the Company's common stock at a purchase price of $1.64 per share, all in a private placement (the "Total Private Placement"). The purchase price per share was determined based on the volume-weighted average price for the Company's common stock between March 23, 2018 (the day on which discussions began between the Company and Total) and May 3, 2018 (the day on which the Company agreed in principle with Total regarding the structure and basic terms of its investment). If all of the shares to be sold under the Purchase Agreement are issued, then the Company would receive gross proceeds from such sale of $83,404 and, immediately after such issuance (and based on the number of shares of the Company's common stock outstanding as of April 10, 2018, which was 152,514,550), Total would hold 25.0% of the outstanding shares of the Company's common stock and the largest ownership position of the Company. As of the date of the Purchase Agreement, Total did not hold or otherwise beneficially own any shares of the Company's common stock, and Total has agreed, until the later of May 9, 2020 or such date when it ceases to hold more than 5.0% of the Company's common stock then outstanding, among other similar undertakings and subject to customary conditions and exceptions, to not purchase shares of the Company's common stock or otherwise pursue transactions that would result in Total beneficially owning more than 30.0% of the Company's equity securities without the approval of the Company's board of directors.

Pursuant to the Purchase Agreement, the completion of the Total Private Placement is conditioned on the satisfaction or waiver (if and to the extent permitted by applicable laws, rules and regulations) of certain specified conditions, including, among others, that the Company obtains the approval of its stockholders at its 2018 annual stockholders' meeting of the issuance of all of the shares to be sold under the Purchase Agreement (as and to the extent required by applicable rules of the Nasdaq Stock Market) and the amendment of the Company's Restated Certificate of Incorporation to increase the number of shares of its common stock it is authorized to issue thereunder. Pursuant to the Purchase Agreement, if the Company fails to obtain these approvals, then Total would have the right, exercisable in its sole discretion within two calendar weeks after the conclusion of the Company's 2018 annual stockholders' meeting, to elect to purchase fewer shares of the Company's common stock, in an amount equal to 19.99% of the lesser of the number of shares of the Company's common stock outstanding immediately before the Purchase Agreement was signed (which was 152,568,887 shares and 19.99% of which is 30,498,520 shares), and the number of shares of the Company's common stock outstanding immediately before Total's delivery to the Company of a notice indicating its election to exercise such right. Any such sale, issuance and purchase of fewer shares of the Company's common stock would be completed under the terms of the Purchase Agreement, including the price per share set forth above, and would result in gross proceeds to the Company of up to $50,018.

The Purchase Agreement also provides that Total will have the right to designate up to two individuals to serve as directors on the Company's board of directors. Subject to certain limited conditions as described in the Purchase Agreement, including compliance with the Company's governing documents and all applicable laws, rules and regulations, the Company will be obligated to appoint or nominate for election as directors of the Company the individuals so designated by Total and, from and after such appointment or election, appoint one of these individuals to serve on the audit committee of the Company's board of directors and any other board committees that may be formed from time to time for the purpose of making decisions that are strategically significant to the Company. Total's rights and our obligations relating to these designees commence at the time any shares are issued to Total under the Purchase Agreement, and continue until (and if) (1) with respect to Total's right to designate two individuals to serve as directors on the Company's board of directors, Total's voting power is less than 16.7% but more than 10.0%, and (2) with respect to Total's right to designate one individual to serve as a director on the Company's board of directors, Total's voting power is less than 10.0%, in each case measured in relation to the total votes then entitled to be cast in an election of directors by the Company's stockholders. The Purchase Agreement also contains representations, warranties and other covenants made by the Company and Total that are customary for transactions of this nature.

The Company expects the Total Private Placement to be completed promptly following the satisfaction of all conditions as set forth in the Purchase Agreement. The Company expects to use any net proceeds received from the Total Private Placement for working capital and general corporate purposes, which may include, among other purposes, executing its business plans, pursuing opportunities for further growth, and retiring a portion of its outstanding indebtedness.

Pursuant to the Purchase Agreement, the Company has also agreed to enter into a registration rights agreement with Total at the closing of the issuance and sale of its common stock to Total under the Purchase Agreement. Pursuant to the registration rights agreement, the Company will be obligated to, at its expense, (1) within 60 days after the issuance and sale of shares of its common stock to Total under the Purchase Agreement, file one or more registration statements with the SEC to cover the resale of such shares, (2) use its commercially reasonable efforts to cause all such registration statements to be declared effective within 90 days after the initial filing thereof with the SEC, (3) use its commercially reasonable efforts to maintain the effectiveness of such registration statements until all such shares are sold or may be sold without restriction under Rule 144 under the Securities

Act of 1933, as amended, and (4) with a view to making available to the holders of such shares the benefits of Rule 144, make and keep available adequate current public information, as defined in Rule 144, and timely file with the SEC all required reports and other documents, until all such shares are sold or may be sold without restriction under Rule 144. If such registration statements are not filed or declared effective as described above or any such effective registration statements subsequently become unavailable for more than 30 days in any 12-month period while they are required to maintained as effective, then the Company would be required to pay liquidated damages to Total equal to 0.75% of the aggregate purchase price for the shares remaining eligible for such registration rights each month for each such failure (up to a maximum of 4.0% of the aggregate purchase price for the shares remaining eligible for such registration rights each year).

In addition, and separate from the Total Private Placement, the Company has entered into a non-binding letter of intent with Total, in which both parties have agreed to negotiate in good faith regarding the launch of a truck leasing program and related credit support arrangement designed to facilitate and grow the deployment of heavy-duty natural gas trucks in the United States. This program and arrangement are subject to completion of definitive agreements, and as a result, may not be launched when or as expected, on terms similar to those contemplated by the letter of intent, or at all.

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations (this discussion, as well as discussions under the same heading in our other periodic reports, are referred to as the "MD&A") should be read together with our unaudited condensed consolidated financial statements and the related notes included in this report, and all cross references to notes included in this MD&A refer to the identified note in such consolidated financial statements. For additional context with which to understand our financial condition and results of operations, refer to the MD&A included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2017, which was filed with the Securities and Exchange Commission ("SEC") on March 13, 2018, as well as the audited consolidated financial statements and notes included therein (collectively, our "2017 Form 10-K"). Pursuant to Instruction 2 to paragraph (b) of Item 303 of Regulation S-K promulgated by the SEC, in preparing this MD&A, we have presumed that readers have access to and have read the MD&A contained in our 2017 Form 10-K. Unless the context indicates otherwise, all references to "Clean Energy," the "Company," "we," "us," or "our" in this MD&A refer to Clean Energy Fuels Corp. together with its consolidated subsidiaries.

Cautionary Note Regarding Forward Looking Statements

This MD&A and the other disclosures in this report contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements other than historical facts and relate to future events or circumstances or our future performance, and they are based on our current assumptions, expectations and beliefs concerning future developments and their potential effect on our business. In some cases, you can identify forward-looking statements by the following words: "if," "may," "might," "shall," "will," "can," "could," "would," "should," "expect," "intend," "plan," "goal," "objective," "initiative," "anticipate," "believe," "estimate," "predict," "project," "forecast," "potential," "continue," "ongoing" or the negative of these terms or other comparable terminology, although the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements we make in this discussion include statements about, among other things, our future financial and operating performance, our growth strategies and anticipated trends in our industry and our business. Although the forward-looking statements in this discussion reflect our good faith judgment based on available information, they are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Factors that might cause or contribute to such differences include, among others, those discussed under "Risk Factors" in this report and in our 2017 Form 10-K. In addition, we operate in a competitive and rapidly evolving industry in which new risks emerge from time to time, and it is not possible for us to predict all of the risks we may face, nor can we assess the impact of all factors on our business or the extent to which any factor or combination of factors could cause actual results to differ from our expectations. As a result of these and other potential risks and uncertainties, our forward-looking statements should not be relied on or viewed as predictions of future events. All forward-looking statements in this discussion are made only as of the date of this document and, except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason, including to conform these statements to actual results or to changes in our expectations.

Overview

We are the leading provider of natural gas as an alternative fuel for vehicle fleets in the United States and Canada, based on the number of stations operated and the amount of gasoline gallon equivalents ("GGEs") of renewable natural gas ("RNG"), compressed natural gas ("CNG") and liquefied natural gas ("LNG") delivered. Our principal business is supplying RNG, CNG

and LNG (RNG can be delivered in the form of CNG or LNG) for light, medium and heavy-duty vehicles and providing operation and maintenance ("O&M") services for vehicle fleet customer stations. As a comprehensive solution provider, we also design, build, operate and maintain fueling stations; sell and service natural gas fueling compressors and other equipment used in CNG stations and LNG stations; offer assessment, design and modification solutions to provide operators with code-compliant service and maintenance facilities for natural gas vehicle fleets; transport and sell CNG and LNG via “virtual” natural gas pipelines and interconnects; procure and sell RNG; sell tradable credits we generate by selling RNG and conventional natural gas as a vehicle fuel, including Renewable Identification Numbers ("RIN Credits" or "RINs") under the federal Renewable Fuel Standard Phase 2
and credits under the California and Oregon Low Carbon Fuel Standards (collectively, "LCFS Credits"); help our customers acquire and finance natural gas vehicles; and obtain federal, state and local tax credits, grants and incentives. In addition, before March 31, 2017, we produced RNG at our own production facilities (which we sold, along with certain of our other RNG production assets, in a transaction we refer to as the “BP Transaction”), and before December 29, 2017, we manufactured, sold and serviced natural gas fueling compressors and other equipment used in CNG stations (which we combined with another company’s natural gas fueling compressor business in a newly formed joint venture, in a transaction we refer to as the “CEC Combination”).

We serve fleet vehicle operators in a variety of markets, including heavy-duty trucking, airports, refuse, public transit, industrial and institutional energy users, and government fleets. We believe these fleet markets will continue to present a growth opportunity for natural gas vehicle fuel for the foreseeable future. As of March 31, 2018, we served nearly 1,000 fleet customers operating over 46,000 natural gas vehicles, and we currently own, operate or supply over 530 natural gas fueling stations in 41 states in the United States and four provinces in Canada.

Performance Overview

This performance overview discusses matters on which our management focuses in evaluating our financial condition and operating performance and results.

Sources of Revenue

The following table represents our sources of revenue:

Revenue (in millions)	Three Months Ended March 31, 2017	Three Months Ended March 31, 2018
Volume -Related (1)	$ 73.6	$ 67.2
Compressor Sales (2)	6.5	—
Station Construction Sales	9.3	5.8
AFTC (3)	—	25.5
Other	0.1	3.9
Total	$ 89.5	$ 102.4

(1) Our volume-related revenue primarily consists of sales of CNG, LNG and RNG fuel, performance of O&M services, and sales of RINs and LCFS Credits. More information about our volume of fuel and O&M services delivered in the periods is included below under “Key Operating Data.” The following table summarizes our revenue from sales of RINs and LCFS Credits in the periods:

	Three Months Ended March 31,	
(In millions)	2017 (a)	2018
RIN Credits	$ 9.7	$ 3.4
LCFS Credits	2.5	2.2
Total	$ 12.2	$ 5.6

a. $5.1 million of the revenue from to sales of RINs and LCFS Credits in the period served as an adjustment to the purchase price for the assets we sold in the BP Transaction, and was recorded in our condensed consolidated statement of operations as a reduction of the gain from the BP Transaction (see Note 3).

(2) We completed the CEC Combination on December 29, 2017 (see Note 4). As a result, no revenue for compressor sales has been or will be received or recorded periods after that date.

(3) Represents a federal alternative fuels tax credit that we refer to as "AFTC," which expired December 31, 2016, but subsequent to December 31, 2017, was reinstated for vehicle fuel sales made in 2017. See "Recent Developments" below for more information.

Key Operating Data

In evaluating our operating performance, our management focuses primarily on: (1) the amount of CNG, LNG and RNG gasoline gallon equivalents delivered (which we define as (i) the volume of gasoline gallon equivalents we sell to our customers, plus (ii) the volume of gasoline gallon equivalents dispensed at facilities we do not own but where we provide O&M services on a per-gallon or fixed fee basis, plus (iii) our proportionate share of the gasoline gallon equivalents sold as CNG by our joint venture with Mansfield Ventures, LLC called Mansfield Clean Energy Partners, LLC ("MCEP"), plus (iv) our proportionate share (as applicable) of the gasoline gallon equivalents of RNG produced and sold as pipeline quality natural gas by the RNG production facilities we owned and operated before completion of the BP Transaction, (2) our station construction cost of sales, (3) our gross margin (which we define as revenue minus cost of sales), and (4) net income (loss) attributable to us. The following tables present our key operating data for the years ended December 31, 2015, 2016, and 2017 and for the three months ended March 31, 2017 and 2018:

Gasoline gallon equivalents delivered (in millions)	Year Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2017	Three Months Ended March 31, 2017	Three Months Ended March 31, 2018
CNG (1)	229.2	259.2	283.4	68.5	70.8
RNG (2)	8.8	3.0	1.9	0.6	—
LNG	70.5	66.8	66.1	16.0	14.3
Total	308.5	329.0	351.4	85.1	85.1

Gasoline gallon equivalents delivered (in millions)	Year Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2017	Three Months Ended March 31, 2017	Three Months Ended March 31, 2018
O&M services	159.3	176.6	199.5	46.7	48.8
Fuel (1)	130.1	128.5	127.3	32.6	30.1
Fuel and O&M services (3)	19.1	23.9	24.6	5.8	6.2
Total	308.5	329.0	351.4	85.1	85.1

Other operating data (in millions)	Year Ended December 31, 2015	Year Ended December 31, 2016	Year Ended December 31, 2017	Three Months Ended March 31, 2017	Three Months Ended March 31, 2018
Station construction cost of sales	$ 32.3	$ 57.0	$ 47.0	$ 8.4	$ 5.9
Gross margin (4)	$ 125.8	$ 147.1	$ 85.8	$ 28.6	$ 47.6
Net income (loss) attributable to Clean Energy Fuels. Corp (4)	$ (134.2)	$ (12.2)	$ (79.2)	$ 61.1	$ 12.2

(1) As noted above, amounts include our proportionate share of the GGEs sold as CNG by our joint venture MCEP. GGEs sold by this joint venture were 0.4 million, 0.5 million, and 0.5 million, for the years ended December 31, 2015, 2016, and 2017, respectively, and 0.1 million and 0.1 million for the three months ended March 31, 2017 and 2018, respectively.

(2) Represents RNG sold as non-vehicle fuel. RNG sold as vehicle fuel, is sold under the brand name Redeem™, and is included in this table in the CNG or LNG amounts as applicable based on the form in which it was sold. GGEs of Redeem sold were 50.1 million, 58.6 million, and 78.5 million for the years ended December 31, 2015, 2016, and 2017, respectively, and 14.6 million and 18.5 million for the three months ended March 31, 2017 and 2018, respectively.

(3) Represents gasoline gallon equivalents at stations where we provide both fuel and O&M services.

(4) Includes the following amounts of AFTC revenue: $31.0 million, $26.6 million, and $0.0 million for the years ended December 31, 2015, 2016, and 2017, respectively, and $0.0 million and $25.5 million for the three months ended March 31, 2017 and 2018, respectively.

Recent Developments

Total Private Placement. On May 9, 2018, we entered into a stock purchase agreement with Total Marketing Services, S.A., a wholly owned subsidiary of Total S.A. ("Total"), for the sale and issuance to Total of up to 50,856,296 shares of our common stock at a purchase price of $1.64 per share, all in a private placement (the "Total Private Placement"). If all of these shares are sold to Total, then we would receive gross proceeds from such sale of $83.4 million.

The completion of the Total Private Placement is conditioned on the satisfaction or waiver of certain specified conditions, including, among others, that we obtain the approval of our stockholders at our 2018 annual stockholders' meeting of the issuance of all of the shares to be sold to Total (as and to the extent required by applicable rules of the Nasdaq Stock Market) and an increase to the number of shares of our common stock we are authorized to issue. If we fail to obtain these approvals, then Total would

have the right, exercisable in its discretion, to elect to purchase fewer shares of our common stock, in an amount of up to 30,498,520 shares. If a lesser number of shares are sold to Total, then we would receive gross proceeds of up to $50.0 million. We expect the Total Private Placement to be completed promptly following the satisfaction of all conditions, and we expect to use any net proceeds for working capital and general corporate purposes, which may include, among other purposes, executing our business plans, pursuing opportunities for further growth, and retiring a portion of our outstanding indebtedness.

The agreements related to the Total Private Placement also contain representations, warranties and covenants made by us and Total regarding, among other matters, certain director designation rights we have granted to Total, certain registration rights we have granted to Total for the shares that may be issued and sold, certain limitations on Total's purchase of additional securities of our Company without the approval of our board of directors, and various other matters that are customary for transactions of this nature.

In addition, and separate from the Total Private Placement, we have also entered into a non-binding letter of intent with Total, in which both parties have agreed to negotiate in good faith regarding the launch of a truck leasing program and related credit support arrangement designed to facilitate and grow the deployment of heavy-duty natural gas trucks in the United States. This program and arrangement are subject to completion of definitive agreements, and as a result, may not be launched when or as expected, on terms similar to those contemplated by the letter of intent, or at all.

AFTC. We have been eligible to receive the AFTC alternative fuels tax credit for our natural gas vehicle fuel sales made through December 31, 2017. The AFTC, which had previously expired on December 31, 2016, was reinstated on February 9, 2018 to apply to vehicle fuel sales made from January 1, 2017 through December 31, 2017. As a result, all AFTC revenue for vehicle fuel we sold in the 2017 calendar year which totaled $25.5 million, was recognized in the three months ended March 31, 2018 and will be collected subsequently. The AFTC credit for 2017 is equal to $0.50 per gasoline gallon equivalent of CNG that we sold as vehicle fuel, and $0.50 per diesel gallon of LNG that we sold as vehicle fuel. AFTC is not currently available, and may not be reinstated, for vehicle fuel sales made after December 31, 2017.

Business Risks and Uncertainties and Other Trends

Our business and prospects are exposed to numerous risks and uncertainties. For more information, see "Risk Factors" in Part II, Item 1A of this report. In addition, our performance in any period may be affected by various trends in our business and our industry, including certain seasonality trends. See the description of the key trends in our past performance and anticipated future trends in the MD&A contained in our 2017 Form 10-K.

In 2017, as described further in our 2017 Form 10-K, we took actions we believe will better align our activities and assets with current and anticipated market demand, and these actions will have an impact on our future performance and financial condition. For instance, we expect our fueling station closures and the CEC contribution will decrease our aggregate revenue and cost levels in the near term, among other potential effects. We also anticipate the actions we took to reduce our operating costs, including a workforce reduction and other measures to reduce overhead costs, will contribute to decreased expenses, particularly selling, general and administrative expenses. These actions also led us to record asset impairment and other cash and non-cash charges in 2017, which could be repeated if we decide to implement similar measures in the future. In addition, subsequent to December 31, 2017, our stock price has declined. If the recent decline of our market capitalization is sustained, we will perform impairment tests more frequently and it is possible that our goodwill could become impaired in 2018, which could result in a material charge and adversely affect our results of operations.

Debt Compliance

Certain of the agreements governing our outstanding debt, which are discussed in Note 12, have certain non-financial covenants with which we must comply. As of March 31, 2018, we were in compliance with all of these covenants.

Risk Management Activities

Our risk management activities are discussed in the MD&A contained in our 2017 Form 10-K. In the three months ended March 31, 2018, there were no material changes to these activities.

Critical Accounting Policies

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our condensed consolidated financial statements.

- Revenue recognition;

- Impairment of goodwill and long-lived assets;
- Income taxes; and
- Fair value measurements.

These critical accounting policies and the related judgments and estimates are discussed in the MD&A contained in our 2017 Form 10-K, except that effective January 1, 2018, we adopted new guidance for our revenue recognition policy that superseded the previous guidance for revenue recognition. The new guidance, and our revenue recognition policy under this new guidance, is described Note 2. There were no other material changes to our critical accounting policies.

Recently Issued and Adopted Accounting Standards

See Note 18 for a description of recently issued and adopted accounting standards.

Results of Operations

The table below presents, for each period indicated, each line item of our statement of operations data as a percentage of our total revenue for the period. Additionally, the narrative that follows provides a comparative discussion of certain of these line items between the periods indicated. Historical results are not indicative of the results to be expected in the current period or any future period.

	Three Months Ended March 31,	
	2017	2018
Statement of Operations Data:		
Revenue:		
Product revenue	85.2 %	90.1 %
Service revenue	14.8	9.9
Total revenue	100.0	100.0
Operating expenses:		
Cost of sales (exclusive of depreciation and amortization shown separately below):		
Product cost of sales	61.0	49.0
Service cost of sales	7.0	4.5
Selling, general and administrative	26.6	18.4
Depreciation and amortization	17.1	12.5
Total operating expenses	111.7	84.4
Operating income (loss)	(11.7)	15.6
Interest expense	(5.5)	(4.4)
Interest income	0.2	0.6
Other income (expense), net	(0.2)	0.0
Loss from equity method investments	0.0	(1.4)
Gain from extinguishment of debt	3.6	—
Gain from sale of certain assets of subsidiary	78.9	—
Income before income taxes	65.3	10.4
Income tax benefit (expense)	2.5	(0.1)
Net income	67.8	10.3
Loss attributable to noncontrolling interest	0.4	1.7
Net income attributable to Clean Energy Fuels Corp.	68.2 %	12.0 %

Revenue. Revenue increased by $12.9 million to $102.4 million in the three months ended March 31, 2018, from $89.5 million in the three months ended March 31, 2017. This increase was primarily due to the addition of AFTC revenue partially offset by lower volume -related revenue, station construction sales, and the absence of compressor revenue.

Volume -related revenue decreased by $6.4 million between periods primarily due to reduced revenue received from sales of RINs and LCFS Credits, which was due in large part to the effects of the BP Transaction (see Note 3) as described in the MD&A contained in our 2017 Form 10-K.

Our effective price per gallon charged was $0.79 for the three months ended March 31, 2018, a $0.08 per gallon decrease from $0.87 per gallon for the three months ended March 31, 2017. Our effective price per gallon is defined as revenue generated from selling CNG, LNG, RNG, and any related RINs and LCFS Credits and providing O&M services to our vehicle fleet customers at stations we do not own and for which we receive a per-gallon or fixed fee, all divided by the total GGEs delivered less GGEs delivered by non-consolidated entities, such as entities that are accounted for under the equity method. The decrease in our effective price per gallon between periods was primarily due to lower revenue from sales of RINs and LCFS Credits.

Compressor revenue decreased by $6.5 million between periods due to the completion of the CEC Combination in December 2017 (see Note 4).

Station construction sales decreased by $3.5 million between periods, principally due to fewer full station and station upgrade projects in process.

AFTC revenue increased by $25.5 million between periods due to the absence of AFTC in the 2017 period and our recognition in the 2018 period of AFTC revenue for all of the vehicle fuel we sold in 2017.

Cost of sales. Cost of sales decreased by $6.1 million to $54.8 million in the three months ended March 31, 2018, from $60.9 million in the three months ended March 31, 2017. This decrease was primarily due to a $6.0 million decrease in costs related to our former compressor business due to the completion of the CEC Combination in December 2017 (see Note 4).

Our effective cost per gallon decreased by $0.02 per gallon between periods, to $0.53 per gallon in the three months ended March 31, 2018 from $0.55 per gallon in the three months ended March 31, 2017. Our effective cost per gallon is defined as the total costs associated with delivering natural gas, including gas commodity costs, transportation fees, liquefaction charges, and other site operating costs, plus the total cost of providing O&M services at stations that we do not own and for which we receive a per-gallon or fixed fee, including direct technician labor, indirect supervisor and management labor, repair parts and other direct maintenance costs, all divided by the total GGEs delivered less GGEs delivered by non-consolidated entities, such as entities that are accounted for under the equity method. The decrease in our effective cost per gallon was primarily due to the sale of our RNG production facilities in the BP Transaction, resulting in no costs to operate these facilities incurred in the 2018 period.

Selling, general and administrative. Selling, general and administrative expenses decreased by $5.0 million to $18.8 million in the three months ended March 31, 2018, from $23.8 million in the three months ended March 31, 2017. This decrease was primarily driven by continued cost reduction efforts and reduced administrative costs due to the completion of the BP Transaction and CEC Combination in 2017.

Depreciation and amortization. Depreciation and amortization decreased by $2.5 million to $12.8 million in the three months ended March 31, 2018, from $15.3 million in the three months ended March 31, 2017, primarily due to the sale of our RNG production facilities in the BP Transaction and the asset impairments related to our station closures and natural compressor business during the third quarter of 2017.

Interest expense. Interest expense decreased by $0.4 million to $4.5 million in the three months ended March 31, 2018, from $4.9 million in the three months ended March 31, 2017. This decrease was primarily due to a reduction of outstanding indebtedness between periods.

Other income (expense), net Other income (expense), net decreased by $0.2 million between periods, which was primarily attributable to the reduction of losses from foreign currency transactions and re-measurements as a result of the CEC Combination.

Income tax benefit (expense). Income tax benefit (expense) increased by $2.4 million between periods, which was primarily attributable to a decrease in the deferred tax benefit due to the reduction of goodwill amortization following the BP Transaction.

Loss from equity method investments. Loss from equity method investments increased by $1.4 million between periods, which was attributable to the CEC Combination in December 2017.

Loss from noncontrolling interest. During the three months ended March 31, 2017 and 2018, we recorded a $0.3 million and $1.7 million reversal of loss, respectively, for the noncontrolling interest in the net loss of our subsidiary NG Advantage, LLC ("NG Advantage"). The noncontrolling interest in NG Advantage represents a 46.7% and 46.5% minority interest that was held by third parties during the 2017 and 2018 periods respectively.

Gain from extinguishment of debt. During the three months ended March 31, 2017, we recorded a gain of $3.2 million related to the extinguishment of debt. We recorded no comparable gain in 2018.

Gain from sale of certain assets of subsidiary. During the three months ended March 31, 2017, we recorded a gain of $70.6 million related to the BP Transaction. We recorded no comparable gain in 2018.

Liquidity and Capital Resources

Liquidity

Liquidity is the ability to meet present and future financial obligations through operating cash flows, the sale or maturity of investments or the acquisition of additional funds through capital management. Our financial position and liquidity are, and will continue to be, influenced by a variety of factors, including the level of our outstanding indebtedness and the principal and interest we are obligated to pay on our indebtedness, our capital expenditure requirements and any merger, divestiture or acquisition activity, as well as our ability to generate cash flows from our operations. We expect cash provided by our operating activities to fluctuate as a result of a number of factors, including our operating results and the factors that impact these results, as well as the amount and timing and amount of our billing, collections and liability payments, completion of our station construction projects and receipt of government credits, grants and incentives.

Cash Flows

Cash used in operating activities was $2.3 million in the three months ended March 31, 2018, compared to $1.4 million provided by operating activities in the comparable 2017 period. The $3.7 million increase in cash used in operating activities was attributable to changes in working capital resulting from the timing of receipts and payments of cash, as the operating loss between periods was consistent when excluding the effects of the AFTC from the 2018 results. The AFTC will be collected subsequent to March 31, 2018.

Cash provided by investing activities was $7.3 million in the three months ended March 31, 2018, compared to $36.4 million provided by investing activities in the comparable 2017 period. The $29.1 million decrease in cash provided by investing activities was primarily attributable to $23.6 million in cash received, net of cash transferred, in connection with the BP Transaction in the 2017 period. The decrease was also due to incremental purchases of short-term investments, net of maturities, of $9.3 million in the three months ended March 31, 2018 as compared to the comparable 2017 period.

Cash provided by financing activities in the three months ended March 31, 2018 was $5.0 million, compared to $33.7 million used in financing activities in the comparable 2017 period. The $38.7 million decrease in cash used in financing activities was primarily due to a $49.5 million decrease in cash used to make debt repurchases, net of borrowings. This decrease in cash used was offset by a $10.7 million decrease in cash, net of fees, provided by our "at-the-market" offering program (the "ATM Program"), which was terminated on May 31, 2017 and under which we were entitled to issue and sell, from time to time through or to a sales agent, shares of our common stock having an aggregate offering price of up to $200.0 million.

Capital Expenditures and Other Uses of Cash

We require cash to fund our capital expenditures, operating expenses and working capital requirements, including costs associated with fuel sales, outlays for the design and construction of new fueling stations, additions or other modifications to existing fueling stations, debt repayments and repurchases, purchases of CNG tanker trailers and natural gas heavy-duty trucks, maintenance of LNG production facilities, mergers and acquisitions (if any), financing natural gas vehicles for our customers, pursuing market expansion as opportunities arise, including geographically and to new customer markets, supporting our sales and marketing activities, including support of legislative and regulatory initiatives, and other general corporate purposes.

Our business plan called for approximately $15.0 million in capital expenditures for 2018. Our capital expenditures primarily relate to the purchase of natural gas heavy-duty trucks, the construction of CNG fueling stations, and LNG plant maintenance costs.

In addition, NG Advantage may spend as much as $45.0 million to purchase additional CNG trailers and equipment in support of its operations and customer contracts, a majority of which will be financed by third parties.

We had total indebtedness of approximately $267.0 million in principal amount as of March 31, 2018, of which approximately $139.7 million, $55.5 million, $55.3 million, $4.9 million, $4.4 million and $7.2 million is expected to become due in 2018, 2019, 2020, 2021, 2022 and thereafter, respectively. Additionally, we expect our total interest payment obligations relating to our indebtedness to be approximately $16.6 million in 2018, $2.9 million of which had been paid when due as of March 31, 2018. As of March 31, 2018, we are permitted to issue up to 14.0 million shares of common stock to repay part of the outstanding principal amount of certain of our convertible notes. While we believe we have sufficient liquidity and capital resources to repay our debt, we may elect to pursue alternatives, such as refinancing or debt or equity offerings, to increase our cash management flexibility.

We generally intend to make payments under our various debt instruments when due, and pursue opportunities for earlier repayment and/or refinancing if and when these opportunities arise.

We may also elect to invest additional amounts in companies, assets or joint ventures in the natural gas fueling infrastructure, vehicle or services industries or use capital for other activities or pursuits, in addition to those described above.

Sources of Cash

Historically, our principal sources of liquidity have consisted of cash on hand, cash provided by our operations, including, if available, AFTC and other government credits, grants and incentives, cash provided by financing activities, and sales of assets. In addition, our revolving credit facility with PlainsCapital Bank ("Plains"), as described below, provides us with an additional source of liquidity, and if completed, the Total Private Placement would provide us with another source of liquidity. As of March 31, 2018, we had total cash and cash equivalents and short-term investments of $173.3 million, compared to $177.5 million as of December 31, 2017.

We expect cash provided by our operating activities to fluctuate depending on our operating results, which can be affected by the amount and timing of natural gas vehicle fuel sales, station construction sales, sales of RINs and LCFS Credits and recognition of other government credits, grants and incentives, such as AFTC; fluctuations in commodity costs and natural gas prices; and the amount and timing of our billing, collections and liability payments, as well as other factors described in this MD&A and elsewhere in this report.

From the commencement of the ATM Program in November 2015 until our termination thereof on May 31, 2017, we received aggregate net proceeds of $117.9 million from sales of our common stock in the program.

The following table summarizes the activity under the ATM Program for the periods presented:

	Three Months Ended March 31,	Inception through May 31,
(in millions)	2017	2017
Gross proceeds	$ 10.8	$ 121.3
Fees and issuance costs	0.3	3.4
Net proceeds	$ 10.5	$ 117.9
Shares issued	3.8	36.4

On February 29, 2016, we entered into a loan and security agreement with, and issued a related promissory note to Plains, pursuant to which Plains agreed to lend us up to $50.0 million on a revolving basis for a term of one year (the "Credit Facility"). Simultaneously, we drew $50.0 million under the Credit Facility, which we repaid in full on August 31, 2016. On October 31, 2016, the Credit Facility's maturity date was extended from February 28, 2017 to September 30, 2018. On December 22, 2016, we drew $23.5 million under the Credit Facility, which we repaid in full on March 31, 2017. As a result, we had no amounts outstanding under the Credit Facility as of March 31, 2018.

See Note 12 for more information about all of our outstanding debt.

On March 31, 2017, we completed the BP Transaction. The net proceeds to us from the BP Transaction were approximately $143.1 million. See Note 3 for more information.

If the Total Private Placement is completed, we would receive up to $83.4 million of gross cash proceeds from the transaction. As described under “Recent Developments” above, the completion of the Total Private Placement is subject to the satisfaction or waiver of certain specified conditions, and may not be completed if these conditions are not satisfied as and when required.

We believe our current cash and cash equivalents and short-term investments and anticipated cash provided by our operating and financing activities (without giving effect to the to-be-completed Total Private Placement) will satisfy our business requirements for at least the 12 months following the date of this report. Subsequent to that period, we may need to raise additional capital to fund any planned or unanticipated capital expenditures, investments, debt repayments or other expenses that we cannot fund through cash on-hand, cash provided by our operations or other sources.

The timing and necessity of any future capital raise would depend on various factors, including our rate and volume of natural gas sales and other volume-related activity, new station construction, debt repayments (either before or at maturity) and any potential mergers, acquisitions, investments, divestitures or other strategic relationships we may pursue, as well as the other factors that affect our revenue and expense levels.

We may seek to raise additional capital through one or more sources, including, among others, selling assets, obtaining new or restructuring existing debt, obtaining equity capital (such as, for instance, the Total Private Placement), or any combination of these or other potential sources of capital. We may not be able to raise capital when needed, on terms that are favorable to us or our stockholders or at all. Any inability to raise necessary capital may impair our ability to develop and maintain natural gas fueling infrastructure, invest in strategic transactions or acquisitions or repay our outstanding indebtedness and may reduce our ability to maintain and build our business and generate sustained or increased revenue.

Off-Balance Sheet Arrangements

As of March 31, 2018, we had the following off-balance sheet arrangements that had, or are reasonably likely to have, a material effect on our financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources:

- Outstanding surety bonds for construction contracts and general corporate purposes totaling $27.0 million;
- Two long-term natural gas contracts with a take-or-pay commitment;
- One long-term natural gas contract with a fixed supply commitment along with a guaranty agreement; and
- Operating leases where we are the lessee.

We provide surety bonds primarily for construction contracts in the ordinary course of our business, as a form of guarantee. No liability has been recorded in connection with our surety bonds because we do not believe, based on historical experience and available information, that it is probable that any amounts will be required to be paid under these arrangements for which we will not be reimbursed.

As of March 31, 2018, we had two long-term natural gas contracts with a take-or-pay commitment, which require us to purchase minimum volumes of natural gas at index based prices and which expire in March 2020 and December 2020, respectively.

NG Advantage has entered into an arrangement with one of its customers for the purchase, sale and reservation of a specified volume of transportation capacity of CNG over a five-year period, which arrangement expires in March 2022. Subsequently, we entered into a guaranty agreement with NG Advantage and this customer for this arrangement. We guarantee NG Advantage's payment obligations to this customer in the event of default up to $30.0 million plus related fees. This guaranty is in effect until thirty days following our notice to NG Advantage's customer of its termination.

We have entered into operating lease arrangements for certain equipment and for our office and field operating locations in the ordinary course of our business. The terms of our leases expire at various dates through 2038. Additionally, in November 2006, we entered into a ground lease for 36 acres in California on which we built our California LNG liquefaction plant. The lease is for an initial term of 30 years and requires payments of $0.2 million per year, plus up to $0.1 million per year for each 30 million gallons of production capacity utilized, subject to adjustment based on consumer price index changes. We must also pay a royalty to the landlord for each gallon of LNG produced at the facility, as well as a fee for certain other services that the landlord provides.

Item 3.—Quantitative and Qualitative Disclosures about Market Risk

In the ordinary course of our business, we are exposed to various market risks, including commodity price risks and risks related to foreign currency exchange rates.

Commodity Price Risk

We are subject to market risk with respect to our sales of natural gas, which have historically been subject to volatile market conditions. Our exposure to market risk is heightened when we have a fixed-price sales contract with a customer that is not covered by a futures contract, or when we are otherwise unable to pass through natural gas price increases to customers. Natural gas prices and availability are affected by many factors, including, among others, drilling activity, supply, weather conditions, overall economic conditions and foreign and domestic government regulations.

Natural gas costs represented $83.3 million of our cost of sales in 2017 and $23.1 million of our cost of sales for the three months ended March 31, 2018.

To reduce price risk caused by market fluctuations in natural gas, we may enter into exchange traded natural gas futures contracts. These arrangements expose us to the risk of financial loss in situations where the other party to the contract defaults on the contract or there is a change in the expected differential between the underlying price in the contract and the actual price of natural gas we pay at the delivery point. We did not have any natural gas futures contracts outstanding at March 31, 2018.

Foreign Currency Exchange Rate Risk

Before completion of the CEC Combination, we had foreign operations, that exposed us to foreign currency exchange gains and losses. Since the functional currency of our foreign subsidiaries is their local currency, the currency effects of translating the financial statements of the foreign subsidiaries, which operate in local currency environments, are included in the accumulated other comprehensive loss component of consolidated equity in our consolidated financial statements and do not impact earnings.

Foreign currency transaction gains and losses not in these subsidiaries' functional currency, however, do impact earnings, but these amounts were not material for the three months ended March 31, 2018. In this period, our primary exposure to foreign currency exchange rates related to our Canadian operations that had certain outstanding accounts receivable and accounts payable denominated in the U.S. dollar, which were not hedged. On December 29, 2017, we contributed our foreign operations (compressor business) to SAFE & CEC S.r.l. See Note 4 for more information on the CEC Combination.

We have prepared a sensitivity analysis to estimate our exposure to market risk with respect to our monetary transactions denominated in a foreign currency. If the exchange rates on these assets and liabilities were to fluctuate by 10% from the rates as of March 31, 2018, we would expect a corresponding fluctuation in the value of the assets and liabilities of approximately $0.3 million.

Item 4.—Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission ("SEC"), and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer (our principal executive and principal financial officers, respectively) of the effectiveness of our disclosure controls and procedures as of March 31, 2018. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

We regularly review and evaluate our internal control over financial reporting, and from time to time we may make changes to our processes and systems to improve controls or increase efficiencies. Such changes may include, among others, implementing new and more efficient systems, consolidating activities, and migrating processes.

There were no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations of Disclosure Controls and Procedures and Internal Control Over Financial Reporting

In designing our disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well-designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of our controls and procedures must reflect the fact that there are resource constraints, and management necessarily applies its judgment in evaluating the benefits of possible controls and procedures relative to their costs. Because of these inherent limitations, our disclosure and internal controls may not prevent or detect all instances of fraud, misstatements or other control issues. In addition, projections of any evaluation of the effectiveness of disclosure or internal controls to future periods are subject to risks, including, among others, that controls may become inadequate because of changes in conditions or that compliance with policies or procedures may deteriorate.

PART II.—OTHER INFORMATION

Item 1. —Legal Proceedings

From time to time, we may become involved in various legal proceedings that arise in the ordinary course of our business, including lawsuits, claims, audits, government enforcement actions and related matters. It is not possible to predict when or if these proceedings may arise, nor is it possible to predict the outcome of any proceedings that do arise, including, among other things, the amount or timing of any liabilities we may incur, and any such proceedings could have a material effect on us regardless of outcome. In the opinion of management, however, we are not presently a party, and our properties are not presently subject, to any legal proceedings that are material to us.

Item 1A.—Risk Factors

An investment in our Company involves a high degree of risk of loss. You should carefully consider the risk factors discussed below and all of the other information included in this report and our 2017 Form 10-K before you make any investment decision regarding our securities. We believe the risks and uncertainties described below are the most significant we face. The occurrence of any of these risks could harm our business, financial condition, results of operations, prospects and reputation and could cause the trading price of our common stock to decline. Additional risks and uncertainties not known to us or that we deem immaterial may also impair our business.

Risks Related to Our Business

We have a history of losses and may incur additional losses in the future.

We incurred pre-tax losses in 2015, 2016 and 2017. We may continue to incur losses, the amount of our losses may increase, and we may never achieve or sustain profitability, any of which would adversely affect our business, prospects and financial condition and may cause the price of our common stock to fall. In addition, to try to achieve or sustain profitability, we may take actions that result in material costs or material asset or goodwill impairments. For instance, in the third and fourth quarters of 2017, we recorded significant charges in connection with our former natural gas fueling compressor business (which we combined with another company's natural gas fueling compressor business in a newly formed joint venture, in a transaction we refer to as the "CEC Combination"), our closure of certain fueling stations, our determination of an impairment of assets as a result of the foregoing, and certain other actions. Any similar actions in the future could have material adverse consequences, including material negative effects on our financial condition, our results of operations and the trading price of our common stock.

Our success is dependent on the willingness of fleets and other consumers to adopt natural gas as a vehicle fuel, which may not occur in a timely manner, at expected levels or at all.

Our success is highly dependent on the adoption by fleets and other consumers of natural gas as a vehicle fuel. To date, adoption and deployment of natural gas vehicles have been slower and more limited than we anticipated. If the market for natural gas as a vehicle fuel does not develop at improved rates or levels, or if a market develops but we are not able to capture a significant share of the market or the market subsequently declines, our business, prospects, financial condition and operating results would be harmed.

The market for natural gas as a vehicle fuel is a relatively new and developing market.

Factors that may influence the adoption of natural gas as a vehicle fuel include, among others:

- Increases, decreases or volatility in the supply, demand, use and prices of crude oil, gasoline, diesel, natural gas and other vehicle fuels, such as electricity, hydrogen, renewable diesel, biodiesel and ethanol;
- Perceptions about the need for alternative vehicle fuels generally;
- Perceptions about the benefits of conventional natural gas, which includes liquefied natural gas ("LNG") and compressed natural gas ("CNG"), and renewable natural gas ("RNG," which can be delivered in the form of CNG or LNG), relative to gasoline and diesel and other alternative vehicle fuels, including with respect to factors such as supply, cost savings, environmental benefits and safety;
- Natural gas vehicle cost, fuel usage, availability, quality, safety, convenience (to fuel and service), design and performance, generally and in our key customer markets and relative to comparable vehicles powered by other fuels;

- Increasing competition in the market for vehicle fuels generally, and the nature and impact of competitive developments in this market, including advances or improvements in non-natural gas vehicle fuels or engines powered by these fuels;

- The availability and effect of environmental, tax or other government regulations, programs or incentives that promote natural gas or other alternatives as a vehicle fuel, including the programs under which we generate credits by selling conventional and renewable natural gas as a vehicle fuel;

- Adoption of government policies or programs that favor vehicles or vehicle fuels other than natural gas, including long-standing support for gasoline and diesel-powered vehicles and growing support for electric and hydrogen-powered vehicles;

- The impact of, or potential for changes to, emissions requirements applicable to vehicles powered by gasoline, diesel, natural gas or other vehicle fuels, as well as emissions and other environmental regulations and pressures on crude oil and natural gas fueling stations and drilling, production, importing and transportation methods for these fuels; and

- The other risks discussed in these risk factors.

If there are advances or improvements in non-natural gas vehicle fuels or engines powered by these fuels, demand for natural gas vehicles may decline.

Use of electric heavy-duty trucks, buses and refuse trucks, which are key customer markets for our business, or the perception that electric vehicles providing satisfactory performance at an acceptable cost may soon be widely available for these or other applications, could reduce demand for natural gas vehicles generally and in these key markets. In addition, hydrogen, renewable diesel and other alternative fuels in development may prove to be, or may be perceived to be, cleaner, more cost-effective, more readily available or otherwise more beneficial alternatives to gasoline and diesel than conventional or renewable natural gas. Further, technological advances in the production, delivery and use of gasoline, diesel or other alternative vehicle fuels, or the failure of natural gas vehicle fuel technology to advance at an equal pace, could slow or limit adoption of natural gas vehicles. For example, advances in gasoline and diesel engine technology, including efficiency improvements and further development of hybrid engines, may offer a more cost-effective way for operators to use a cleaner vehicle fuel, which could reduce the likelihood that fleet customers convert their vehicles to natural gas. Additionally, technological advances related to ethanol or biodiesel, which are used as an additive to or substitute for gasoline and diesel fuel, may influence the market's perception of the need to diversify fuels at all and, as a result, negatively affect the growth of the natural gas vehicle fuel market.

Increases, decreases and general volatility in oil, gasoline, diesel and natural gas prices could adversely affect our business.

Prices for crude oil, which is the commodity used to make gasoline and diesel, today's most prevalent vehicle fuels, have been low in recent years, due in part to over-production and increased supply without a corresponding increase in demand. Market adoption of natural gas as a vehicle fuel could be slowed or limited if the over-supply and resulting low prices of crude oil, gasoline and diesel continue, or if the price of natural gas increases without corresponding increases in the prices of crude oil, gasoline and diesel. Any of these circumstances could decrease the market's perception of a need for alternative vehicle fuels generally, which could cause the success or perceived success of our industry and our business to materially suffer. In addition, if prices of gasoline and diesel decrease or prices of natural gas increase, we may not be able to offer our customers an attractive price advantage for CNG and LNG and maintain an acceptable margin on our sales. Any such failure could result in an inability to attract new customers or a loss of demand from existing customers, or could directly and negatively impact our results of operations if we are forced to reduce the prices at which we sell natural gas to try to avoid such an effect. Conversely, if prices of gasoline and diesel increase or the price of natural gas decreases, we may not be able to capture a material portion of any increase in the demand for natural gas vehicle fuel that could result from favorable pricing conditions, due to increased competition from new entrants in the natural gas vehicle fuels market, expanded programs by existing competitors, or other factors.

Pricing conditions may also exacerbate the cost differential between natural gas vehicles and gasoline or diesel- powered vehicles, which may lead operators to delay or refrain from purchasing or converting to natural gas vehicles. Generally, natural gas vehicles cost more initially than gasoline or diesel-powered vehicles, because the components needed for a vehicle to use natural gas add to the vehicle’s base cost. Operators then seek to recover the additional base cost over time, through the lower fueling costs for natural gas vehicles. Operators may, however, perceive an inability to timely recover these additional initial costs if CNG and LNG fuel are not available at prices sufficiently lower than gasoline and diesel. Such an outcome could decrease our potential customer base and harm our business prospects.

Additionally, the prices of natural gas, crude oil, gasoline and diesel, have been volatile in recent years, and this volatility may continue. Fluctuations in natural gas prices affect the cost to us of the natural gas commodity. High natural gas prices adversely impact our operating margins when we cannot pass the increased costs through to our customers. Conversely, lower natural gas prices reduce our revenue when the commodity cost is passed through to our customers. As a result, these fluctuations in natural gas prices can have a significant and adverse impact on our operating results.

Factors that may cause fluctuations in gasoline, diesel and natural gas prices include, among others, changes in supply and availability of crude oil and natural gas, government regulations, inventory levels, consumer demand, price and availability of alternatives, weather conditions, negative publicity about crude oil or natural gas drilling, production or importing techniques and methods, economic and political conditions and the price of foreign imports.

With respect to natural gas supply, there have been efforts in recent years to ban or impose new regulatory requirements on the U.S. production of natural gas by hydraulic fracturing of shale gas reservoirs and other means, as well as on transporting, dispensing and using natural gas. Hydraulic fracturing and horizontal drilling techniques have resulted in a substantial increase in the proven natural gas reserves in the United States. Any changes in regulations that make it more expensive or unprofitable or otherwise impose additional burdens to produce natural gas through these techniques or others, or any changes to the regulations relating to transporting, dispensing or using natural gas, could lead to further volatility in, and generally increased, natural gas prices. If all or some combination of these factors cause continued or further volatility in natural gas, gasoline and diesel prices, our business and our industry could be materially harmed.

We face increasing competition from a variety of businesses, many of which have far greater resources, experience, customer bases and brand awareness than we have, and we may not be able to compete effectively with these businesses.

The market for vehicle fuels is highly competitive. We believe the biggest competition for CNG and LNG use as a vehicle fuel is gasoline and diesel because the vast majority of vehicles in our key markets are powered by these fuels. We also compete with suppliers of other alternative vehicle fuels, including renewable diesel, biodiesel and ethanol, as well as producers and fuelers of alternative vehicles, including hybrid, electric and hydrogen-powered vehicles. Additionally, our stations compete directly with other natural gas fueling stations and indirectly with electric vehicle charging stations and fueling stations for other alternative vehicle fuels. We also face high levels of competition with respect to our other business activities, including our procurement and sale of RNG and our transport and sale of CNG through the virtual natural gas pipelines and interconnects of our subsidiary, NG Advantage, LLC (“NG Advantage”).

A significant number of established businesses have entered the market for natural gas and other alternatives for use as vehicle fuel, including alternative vehicle and alternative fuel companies, refuse collectors, industrial gas companies, truck stop and fuel station owners, fuel providers, utilities and their affiliates and other organizations, and the number and type of participants in this market and their level of capital and other commitments to alternative vehicle fuel programs could increase if the market grows. Many of our competitors have longer operating histories, more experience, larger customer bases, more expansive brand recognition, deeper market penetration and substantially greater financial, marketing and other resources than we have. As a result, they may be able to respond more quickly to changes in customer preferences, legal requirements or other industry or regulatory trends; devote greater resources to the development, promotion and sale of their products; adopt more aggressive pricing policies; dedicate more effort to infrastructure and systems development in support of their business or product development activities; implement more robust or creative initiatives to advance consumer acceptance of their products; or exert more influence on the regulatory landscape that impacts the vehicle fuels market

We expect competition to increase in the vehicle fuels market generally and, if the demand for natural gas vehicle fuel increases (due to more favorable pricing conditions caused by higher gasoline and diesel prices or lower natural gas prices or other factors), in the market for natural gas vehicle fuel. Any such increased competition may reduce our customer base and revenue and may lead to pricing pressure, reduced operating margins and fewer expansion opportunities.

Vehicle and engine manufacturers produce very few natural gas vehicles and engines in our key customer and geographic markets, which limits our customer base and our sales of CNG, LNG and RNG.

Original equipment manufacturers produce a relatively small number of natural gas engines and vehicles in the U.S. and Canadian markets. Further, these manufacturers, over which we have no control, may not decide to expand, or may decide to discontinue or curtail, their natural gas engine or vehicle product lines. The limited production of natural gas engines and vehicles increases the cost to purchase these vehicles and limits their availability, which restricts their large-scale introduction and adoption. As a result of these and other factors, the limited supply of natural gas vehicles could reduce the potential size of our customer base and the volume of natural gas vehicle fuel we sell, which could harm our results of operations, business and prospects.

Our business is influenced by environmental, tax and other government regulations, programs and incentives that promote natural gas or other alternatives as a vehicle fuel, and their adoption, modification or repeal could negatively impact our business.

Our business is influenced by federal, state and local tax credits, rebates, grants and other government programs and incentives that promote the use of CNG, LNG and RNG as a vehicle fuel. These include a federal alternative fuels tax credit ("AFTC") under which we have generated revenue for our natural gas vehicle fuel sales made through December 31, 2017, but which is not available for vehicle fuel sales made after that date, and various government programs that make grant funds available for the purchase and construction of natural gas vehicles and fueling stations. Additionally, our business is influenced by laws, rules and regulations that require reductions in carbon emissions and/or the use of renewable fuels, such as the federal Renewable Fuel Standard Phase 2 and the California and Oregon Low Carbon Fuel Standards, under which we generate credits ("RINs" or "RIN Credits" and "LCFS Credits," respectively) by selling CNG, LNG and RNG as a vehicle fuel.

These programs and regulations, which have the effect of encouraging the use of CNG, LNG or RNG as a vehicle fuel, could expire or be repealed or amended for a variety of reasons. For example, parties with an interest in gasoline and diesel or alternative vehicle fuels other than natural gas, including lawmakers, regulators, policymakers, environmental organizations or other powerful groups, many of which have substantially greater resources and influence than we have, may invest significant time and money in efforts to delay, repeal or otherwise negatively influence regulations and programs that promote natural gas or other alternative vehicle fuels. Further, changes in federal, state or local political, social or economic conditions could result in the modification or repeal of these programs or regulations. Any failure to adopt, delay in implementing, expiration, repeal or modification of these programs and regulations, or the adoption of any such programs and regulations that encourage the use of other alternative fuels or alternative vehicles over natural gas, could harm our operating results and financial condition.

Servicing our debt requires a significant amount of cash, and we may not generate sufficient cash flow from our business to pay our debt.

We have substantial indebtedness, including significant principal amounts and interest payments that are due in 2018.

We generally intend to make payments under our various debt instruments when due and pursue opportunities for earlier repayment and/or refinancing if and when these opportunities arise.

Our ability to make payments of the principal and interest on our outstanding debt, whether at or before the applicable due date, depends on our future performance, which is subject to economic, financial, competitive and other factors, including those described in these risk factors, and many of which are beyond our control. Our business may not generate sufficient cash from operations to service our debt.

If we cannot meet our debt obligations from our operating cash flows, we may pursue one or more alternative measures. For instance, we are permitted to issue up to 14.0 million shares of our common stock to repay part of the outstanding principal amount of certain of our convertible notes. Any repayment of our debt with equity, however, would dilute the ownership interests of our existing stockholders. Additionally, we may seek capital from other sources to service our debt, such as selling assets, restructuring or refinancing our existing debt or obtaining additional equity or debt financing (as the agreements governing much of our existing indebtedness do not restrict our ability to incur additional secured or unsecured debt or require us to maintain financial ratios or specified levels of net worth or liquidity). Our ability to engage in any of these activities, should we decide to do so, would depend on the capital markets and the state of our industry, business and financial condition at the time, and could also subject us to significant risks, which are discussed in these risk factors below. Moreover, we may not be successful in obtaining any additional capital we may pursue on desirable terms, at a desirable time or at all. Any failure to pay our debts when due could result in a default on our debt obligations.

In addition, certain of the agreements governing our outstanding debt contain restrictive covenants, and any failure by us to comply with these covenants could also cause us to be in default under these agreements. In the event of any default on our debt obligations, the holders of the indebtedness could, among other things, elect to declare all amounts owed immediately due and payable. Any such declaration could require that we use all or a large portion of our available cash flow to pay such amounts, and thereby reduce the amount of cash available to pursue our business plans or force us into bankruptcy or liquidation.

The substantial amount of our indebtedness, combined with our other financial obligations and contractual commitments, could have other important consequences. For example, it could make us more vulnerable to adverse changes in general U.S. and worldwide economic, regulatory and competitive conditions, limit our flexibility to plan for or react to changes in our business or industry, place us at a disadvantage compared to our competitors that have less debt or limit our ability to borrow or otherwise raise additional capital as needed.

We may raise additional capital to continue to fund our business or repay our debt, which may not be available when needed, on acceptable terms or at all.

We require capital to make principal and interest payments on our indebtedness, pay for capital expenditures and our other operating expenses, and for any mergers, acquisitions or strategic investments, transactions or relationships we may pursue. If we cannot fund any of these activities with capital on-hand or cash provided by our operations, we may seek to obtain additional capital from other sources, such as by selling assets or pursuing debt or equity financing.

Asset sales and equity or debt financing may not be available when needed, on terms favorable to us or at all. Any sale of our assets to generate cash proceeds may limit our operational capacity and could limit or eliminate any revenue streams or business plans that are dependent on the sold assets. Any issuances of our common stock or securities convertible into our common stock to raise capital, such as our agreement to issue to Total Marketing Services, S.A., a wholly owned subsidiary of Total S.A. (“Total”), up to 50,856,296 shares of common stock, would dilute the ownership interest of our existing stockholders. Any debt financing we may pursue, including, among others, equipment financing, sales of convertible notes, high-yield debt, asset-based loans, term loans, municipal bond financing, loans secured by receivables or inventory or commercial bank financing, could require us to make significant interest payments and to pledge some or all of our assets as security. In addition, higher levels of indebtedness could increase our risk of non-repayment, adversely affect our creditworthiness and amplify the other risks associated with our existing debt, which are discussed in these risk factors above. Further, we may incur substantial costs in pursuing any capital-raising transactions, including investment banking, legal and accounting fees. On the other hand, if we are unable to obtain capital in amounts sufficient to fund our contractual obligations, business plans, capital expenditures, other expenses and any mergers, acquisitions or strategic investments, transactions or relationships, we could be forced to suspend, delay or curtail these plans, expenditures or other activities. Any such outcome could negatively affect our business, performance, liquidity and prospects.

If America’s Natural Gas Highway fails or we are not able to fuel a greater number of natural gas heavy-duty trucks, our financial results and business would be materially adversely affected.

We are seeking to fuel a greater number of natural gas heavy-duty trucks, which is one of our target customer markets. In connection with this effort, we have built a nationwide network of natural gas truck-friendly fueling stations, which we refer to as "America’s Natural Gas Highway" or "ANGH." Our ability to successfully execute in the heavy -duty truck market is subject to substantial risks, including, among others:

- Our success in the heavy-duty truck market depends on the expansion of this market in the United States. Operators may not adopt heavy-duty natural gas trucks due to cost, availability, actual or perceived performance issues or other factors, many of which are beyond our control. To date, adoption and deployment of natural gas trucks have been slower and more limited than we anticipated.

- The adoption of natural gas engines that are well-suited for heavy-duty trucks is essential to our success in this market. We have no influence over the development, production, cost, availability or sales and marketing of these engines. Cummins Westport is the only natural gas engine manufacturer for the heavy -duty truck market in the United States, and we have no control over whether and the extent to which Cummins Westport will remain in the natural gas engine business or whether other manufacturers will enter this business.

- Truck and other vehicle operators may not fuel at our stations due to lack of access or convenience, fuel prices or other factors.

- We may fail to accurately predict demand in any of the locations in which we build and open ANGH stations. As a result, we have built stations that we may not open for fueling operations and we may open stations that fail to generate the volume or profitability levels we anticipate, either or both of which could occur due to a lack of sufficient customer demand at the stations or for other reasons. For any stations that are completed but unopened, we would continue to have substantial investments in assets that do not produce revenue. For any stations that are open and underperforming, we may decide to close the stations, as we did in the third and fourth quarters of 2017 with 42 fueling stations. These station closures, and any future station closures we may implement, could result in substantial costs and non-cash asset impairments or other charges, and could also harm our reputation and reduce our customer base and prospects for future growth.

We must effectively manage these risks in order to obtain the anticipated benefits from ANGH and achieve our objective of fueling additional natural gas heavy-duty trucks. If we are not successful in the heavy -duty truck market, our business, financial condition and operating results would be materially and adversely affected.

Compliance with greenhouse gas emissions regulations affecting our operations may prove costly and negatively affect our financial performance.

California has enacted laws and regulations that require specified greenhouse gas emissions reductions, and the federal government and many other state governments are considering similar measures. These regulations, if and when adopted and implemented, could impact several areas of our operations, including regulating the greenhouse gas emissions produced by or associated with our sales of conventional and renewable natural gas, our CNG and LNG fueling stations and our LNG production plants.

California's greenhouse gas emissions laws require statewide reductions of greenhouse gas emissions to 1990 levels by 2020, 40% below 1990 levels by 2030, and 80% below 1990 levels by 2050. As of January 1, 2015, California's AB 32 law began regulating the greenhouse gas emissions from transportation fuels, including the emissions associated with CNG and LNG vehicle fuel that we sell.

Under AB 32, the regulated party with respect to CNG fuel use is the utility that owns the pipe through which the fossil fuel natural gas is sold. We anticipate that, over time, as the utilities' costs increase to comply with this law, we or, to the extent we pass these costs through to our customers, our CNG customers will be required to pay more for CNG vehicle fuel to cover the increased AB 32 compliance costs of the utility. The amount of these costs that we or our CNG customers will be required to pay will be determined by the amount a utility spends to buy any carbon credits needed to comply with AB 32 and the amount of natural gas we or our customers buy through the utility's pipeline. With respect to LNG vehicle fuel use, the LNG vehicle fuel provider is the regulated party under AB 32. As a result, we will incur increased costs to comply with AB 32, and the amount of the increase will be based on how much LNG vehicle fuel we sell that is regulated, the requirements of the government agency enforcing AB 32 with respect to the regulation of LNG vehicle fuel, any applicable regulatory changes and the cost of any carbon credits we purchase to comply with AB 32. We expect to try to pass the costs we incur to comply with this law through to our LNG customers. Although our Redeem RNG vehicle fuel may qualify for an exemption from AB 32 when sold as CNG or LNG, the availability of any such exemption is uncertain at this time due to the complexity of the requirements that must be met in order to qualify for an exemption and the possibility of changes to the law. Any Redeem volumes that are not exempt would incur compliance costs commensurate with sales of CNG and LNG derived from fossil fuel natural gas.

The increased costs of CNG and LNG vehicle fuel as a result of AB 32 could diminish the attractiveness of these fuels for existing and prospective customers in California, which could reduce our customer base and fuel sales in one of our key geographic markets. Additionally, to the extent we are not able to pass these increased costs through to our customers, we could experience increased direct expenses and reduced margins. Any of these outcomes could cause our performance to suffer, impair our ability to fulfill customer contracts and reduce our cash available for other aspects of our business, including operating costs, investments and debt repayments. Moreover, if similar laws or regulations are adopted and implemented by other states or by the federal government, or if existing laws are amended to make them more stringent, any compliance costs associated with the new or amended laws could amplify these effects, including discouraging adoption of natural gas as a vehicle fuel in other markets if costs increase for customers, and further increasing our expenses and decreasing our margins if the increased compliance costs are borne by us. Further, any such new or more stringent laws or regulations could require us to undertake or incur significant additional capital expenditures or other costs to, among other things, buy emissions or other environmental credits or invest in costly new emissions prevention technologies. We cannot estimate the expenses we may incur to comply with potential new laws or changes to existing laws, or the other potential effects these laws may have on our business, and these unknown costs and effects are not contemplated by our existing customer agreements or our budgets and cost estimates.

In addition, any failure by us to comply with existing or any future emissions laws or regulations could result in monetary penalties or a variety of other administrative, civil and criminal enforcement measures, any of which could have a material adverse effect on our business, reputation, financial condition and results of operations.

Our RNG business may not be successful.

In March 2017, we completed our sale to BP Products North America, Inc. ("BP") of certain assets related to our RNG production business, including our former RNG production facilities (we refer to this transaction as the "BP Transaction"). Following the BP Transaction, our RNG business consists of purchasing RNG from BP and other third-party producers and reselling this RNG through our natural gas fueling infrastructure as Redeem, our RNG vehicle fuel.

The success of our RNG business depends on our ability to secure, on acceptable terms, a sufficient supply of RNG from BP and other third parties, and to sell this RNG at a substantial premium to conventional natural gas prices and sell credits we may generate under applicable federal or state programs, including RINs and LCFS Credits, at favorable prices. If we are not

successful at one or more of these activities, our RNG business could fail and our performance and financial condition could be materially harmed.

Our ability to maintain an adequate supply of RNG may be subject to risks affecting RNG production. Projects that produce pipeline-quality RNG often experience unpredictable production levels or other difficulties due to a variety of factors, including, among others, problems with key equipment, severe weather, construction delays, technological difficulties, high operating costs, limited availability or unfavorable composition of collected landfill gas, and plant shutdowns caused by upgrades, expansion or required maintenance. If any of our RNG suppliers experience these or other difficulties, then our supply of RNG and our ability to resell it as a vehicle fuel could be jeopardized.

Our ability to generate revenue from our sale of RNG or our generation and sale of RINs and LCFS Credits depends on a number of factors, including the markets for RNG as a vehicle fuel and for these credits. In the past, the markets for RINs and LCFS Credits have been volatile and unpredictable, and the prices for these credits have been subject to significant fluctuations. Additionally, the value of RINs and LCFS Credits, and consequently the revenue levels we may receive from our sale of these credits, may be adversely affected by changes to the federal and state programs under which these credits are generated and sold. Further, our ability to generate revenue from sales of these credits depends on our strict compliance with these federal and state programs, which are complex and subject to change and can involve a significant degree of judgment. If the agencies that administer and enforce these programs disagree with our judgments, otherwise determine we are not in compliance, conduct reviews of our activities or make changes to the programs, then our ability to generate or sell these credits could be temporarily restricted pending completion of reviews or as a penalty, permanently limited or lost entirely, and we could also be subject to fines or other sanctions. Any of these outcomes could force us to purchase credits in the open market to cover any credits we have contracted to sell, retire credits we may have generated but not yet sold, eliminate or reduce a significant revenue stream or incur substantial additional and unplanned expenses. Further, following our sale of certain assets related to our RNG business in the BP Transaction, the amount of revenue we generate from sales of RINs and LCFS Credits has decreased, which has and will continue to adversely affect our financial results (as compared to the level of revenue contributed by sales of these credits before completion of the BP Transaction). Moreover, in the absence of federal and state programs that support premium prices for RNG or that allow the generation and sale of RINs, LCFS Credits or other credits, or if our customers are not willing to pay a premium for RNG, we may be unable to operate our RNG business profitably or at all.

We are subject to risks associated with station construction and similar activities, including difficulties identifying suitable station locations, zoning and permitting issues, local resistance, cost overruns, delays and other contingencies.

We face a number of challenges in connection with our design and construction of fueling stations. For example, we may not be able to identify suitable locations for the stations we or our customers seek to build. Additionally, even if preferred sites can be located, we may encounter land use or zoning difficulties, challenges obtaining and retaining required permits and approvals or other local resistance, any of which could prevent us or our customers from building new stations on these sites or limit or restrict the use of new or existing stations. Any such difficulties, resistance or limitations or any failure to comply with local permit, land use or zoning requirements could restrict our activities or expose us to fines, reputational damage or other liabilities, which would harm our business and results of operations. In addition, we act as the general contractor and construction manager for new station construction and facility modification projects, and we typically rely on licensed subcontractors to perform the construction work. We may be liable for any damage we or our subcontractors cause or for injuries suffered by our employees or our subcontractors' employees during the course of work on our projects. Additionally, shortages of skilled subcontractor labor could significantly delay a project or otherwise increase our costs. Further, our expected profit from a project is based in part on assumptions about the cost of the project, and cost overruns, delays or other execution issues may, in the case of projects we complete and sell to customers, result in our failure to achieve our expected margins or cover our costs, and in the case of projects we build and own, result in our failure to achieve an acceptable rate of return. If any of these events were to occur, our business, operating results and liquidity could be negatively affected.

We have significant contracts with government entities, which are subject to unique risks.

We have, and expect to continue to seek, long-term CNG, LNG and RNG station construction, maintenance and fuel sales contracts with various government bodies, which accounted for material portions of our revenue in 2015, 2016, 2017, and the three months ended March 31, 2018. In addition to normal business risks, including the other risks discussed in these risk factors, our contracts with government entities are often subject to unique risks, some of which are beyond our control. For example, long-term government contracts and related orders are subject to cancellation if adequate appropriations for subsequent performance periods are not made. Further, the termination of funding for a government program supporting any of our government contracts could result in the loss of anticipated future revenue attributable to the contract, which could have a negative impact on our operations.

In addition, government entities with which we contract are often able to modify, curtail or terminate contracts with us at their convenience and without prior notice, and would only be required to pay for work completed and commitments made at the time of the termination. Modification, curtailment or termination of significant government contracts could have a material adverse effect on our results of operations and financial condition. Further, government contracts are frequently awarded only after competitive bidding processes, which are often protracted. In many cases, unsuccessful bidders for government contracts are provided the opportunity to formally protest the contract awards through various agencies or other administrative and judicial channels. The protest process may substantially delay a successful bidder's contract performance, result in cancellation of the contract award entirely and distract management. As a result, we may not be awarded contracts for which we bid, and substantial delays or cancellation of contracts may follow any successful bids as a result of these protests.

Our operations entail inherent safety and environmental risks, which may result in substantial liability to us.

Our operations entail inherent safety risks, including risks associated with equipment defects, malfunctions, failures and misuses. For example, operation of LNG pumps requires special training because of the extremely low temperatures of LNG. Also, LNG tanker trailers and CNG fuel tanks and trailers could rupture if involved in accidents or improper maintenance or installation. Further, refueling of natural gas vehicles or operation of natural gas vehicle fueling stations could result in the venting of potent greenhouse gases, the emission of which is regulated by some state regulatory agencies and may in the future be regulated by federal and/or additional state regulators. These safety and environmental risks could result in uncontrollable flows of natural gas, fires, explosions, death or serious injury, any of which may expose us to liability for personal injury, wrongful death, property damage, pollution and other environmental damage. We may incur substantial liability and costs if any such damages are not covered by insurance or are in excess of policy limits, or if environmental damage causes us to violate applicable greenhouse gas emissions or other environmental laws. Additionally, the occurrence of any of these events with respect to our fueling stations or our other operations could materially harm our business and reputation. Moreover, the occurrence of any of these events to any other organization in the natural gas vehicle fuel business could harm our industry generally by negatively affecting perceptions about, and adoption levels of, natural gas as a vehicle fuel.

Our business is subject to a variety of government regulations, which may restrict our operations and result in costs and penalties.

We are subject to a variety of federal, state and local laws and regulations relating to the environment, health and safety, labor and employment, building codes and construction, zoning and land use, the government procurement process, any political activities or lobbying in which we may engage, public reporting and taxation, among others. It is difficult and costly to manage the requirements of every authority having jurisdiction over our various activities and to comply with their varying standards. Many of these laws and regulations are complex, change frequently and have become more stringent over time. Any changes to existing regulations or adoption of new regulations may result in significant additional expense to us or our customers. Further, from time to time, as part of the regular evaluation of our operations, including newly acquired or developing operations, we may be subject to compliance audits by regulatory authorities, which may distract management from our revenue-generating activities and involve significant costs and use of other resources. Also, in connection with our operations, we often need to obtain facility permits or licenses to address, among other things, storm water or wastewater discharges, waste handling and air emissions, which may subject us to onerous or costly permitting conditions or delays if permits cannot be timely obtained.

Our failure to comply with any applicable laws and regulations could result in a variety of administrative, civil and criminal enforcement measures, including, among others, assessment of monetary penalties, imposition of corrective requirements or prohibition from providing services to government entities. If any of these enforcement measures were imposed on us, our business, financial condition and performance could be negatively affected.

We may from time to time pursue acquisitions, divestitures, investments or other strategic relationships or transactions, which could fail to meet expectations or otherwise harm our business.

We may acquire or invest in other companies or businesses or pursue other strategic transactions or relationships, such as divestitures, joint ventures, collaborations or other similar arrangements. For example, in March 2017 we completed the BP Transaction, and in December 2017, we completed the CEC Combination. Further, in addition to Total's agreement to invest in our Company through its purchase of shares of our common stock, we have also entered into a non-binding letter of intent with Total in which both parties have agreed to negotiate in good faith regarding the launch of a truck leasing program and related credit support arrangement designed to facilitate and grow the deployment of heavy-duty natural gas trucks in the United States (which program and arrangement are subject to completion of definitive agreements, and as a result, may not be launched when or as expected, on terms similar to those contemplated by the letter of intent, or at all).

These types of transactions involve numerous risks, any of which could harm our business, performance and liquidity, including, among others:

- Difficulties integrating the operations, personnel, contracts, service providers and technologies of an acquired company or partner;
- Diversion of financial and management resources from existing operations or alternative acquisition, investment, strategic or other opportunities;
- Failure to realize the anticipated synergies or other benefits of a transaction or relationship;
- Failure to identify all of the operating problems, liabilities, shortcomings or challenges of a company or asset we may partner with, invest in or acquire, including issues related to intellectual property rights, regulatory compliance practices, revenue recognition or other accounting practices or employee, customer or vendor relationships;
- Risks of entering new customer or geographic markets in which we may have limited or no experience, including, among others, challenges satisfying differing customer demands and preferences and complying with differing laws and regulations, as well as risks related to political and economic instability in some regions, trade restrictions or barriers and currency exchange or repatriation uncertainties;
- Potential loss of an acquired company's or partner's key employees, customers or vendors in the event of an acquisition or investment, or potential loss of our assets (and their associated revenue streams), employees or customers in the event of a divestiture or other strategic transaction;
- Risks associated with any joint venture or other collaboration relationship we may pursue, including as a result of our relinquishment of some degree of control over the assets, technologies or businesses that are the subject of the joint venture or collaboration, or as a result of our partners having business goals and interests that are not aligned with ours or being unable or unwilling to fulfill their obligations in the relationship;
- Inability to generate sufficient revenue to offset costs related to an acquisition, investment or other transaction or relationship;
- Incurrence of substantial costs, debt or equity dilution in order to fund an acquisition, investment or other transaction or relationship; and
- Possible write-offs or impairment charges relating to any businesses we partner with, invest in or acquire.

Our results of operations fluctuate significantly and are difficult to predict.

Our results of operations have historically experienced, and may continue to experience, significant fluctuations as a result of a variety of factors, including, among others, the amount and timing of natural gas vehicle fuel sales, station construction sales, sales of RINs and LCFS Credits and recognition of government credits, grants and incentives, such as AFTC (for example, we received no AFTC revenue in 2017, and we received all of the AFTC revenue associated with our vehicle fuel sales made in 2017 during the first quarter of 2018); fluctuations in commodity costs and natural gas prices; and the amount and timing of our billing, collections and liability payments, as well as the other factors described in these risk factors.

Our performance in certain periods has also been impacted by transactions or events that have resulted in significant cash or non-cash gains or losses, which may not recur regularly, in the same amounts or at all in other periods. For example, our performance for the three months ended March 31, 2017 was positively affected by gains related to repurchases or retirements of our outstanding convertible debt and by a gain related to the BP Transaction, which gains did not recur in the three months ended March 31, 2018.

These significant fluctuations in our operating results may render period-to-period comparisons less meaningful, and investors in our securities should not rely on the results of any one period as an indicator of performance in any other period. Additionally, these fluctuations in our operating results could cause our performance in any period to fall below the financial guidance we have provided to the public or the estimates and projections of the investment community, which could negatively affect the price of our common stock.

We depend on key people to generate our strategies and operate our business, and our business could be harmed if we are unable to retain these key people.

We believe our future success is dependent on the contributions of certain key people, including our officers and directors. In many cases, we believe these individuals' knowledge of our business and experience in our industry would be difficult to replace. As a result, and due to the high levels of competition for talent in our industry, we may incur significant costs to try to retain these key people. However, all of our U.S. employees, including our management team, are permitted terminate their employment relationships with us at any time, and any of our directors could resign at any time or fail to be re-elected by our stockholders on an annual basis. If we are unable to retain our key people, or if these individuals leave our Company and we are unable to attract and successfully integrate quality replacements in a timely manner and on reasonable terms, our business, operating results and financial condition could be harmed.

Natural gas purchase and sale commitments may exceed demand, or supply, as applicable, which could cause our costs relative to our revenue to increase.

We are a party to two long-term natural gas purchase agreements with a take-or-pay commitment, and we may enter into additional similar contracts in the future. These take-or-pay commitments require us to pay for the natural gas we have agreed to purchase, irrespective of whether we sell the gas. If the market for natural gas as a vehicle fuel declines or fails to develop as we anticipate, if we lose natural gas vehicle fueling customers, or if demand under any existing or future sales contract diminishes, these take-or-pay commitments may exceed our natural gas demand. In addition, we are involved in various firm commitment natural gas supply arrangements, and we may establish additional similar arrangements in the future. These arrangements require us to supply certain volumes of natural gas over specified periods of time, and subject us to deficiency payments or other penalties if we are unable to deliver the committed volumes as and when required. If we fail to generate sufficient demand for our take-or-pay purchase commitments or satisfy our firm supply commitments, our supply costs or operating expenses could increase without a corresponding increase in revenue, which could cause our margins, performance and liquidity to be negatively impacted.

We provide financing to fleet customers for natural gas vehicles, which exposes our business to credit risks.

We lend to certain qualifying customers a portion, and occasionally all, of the purchase price of natural gas vehicles they agree to purchase. These financing activities involve a number of risks, including general credit risks associated with equipment finance relationships. For example, the financed equipment consists mostly of vehicles, which are mobile and easily damaged, lost or stolen. In addition, the borrower may default on payments, enter bankruptcy proceedings and/or liquidate. The materialization of any of these risks could harm our vehicle finance business and our operations and liquidity.

Our warranty reserves may not adequately cover our warranty obligations, which could result in unexpected costs.

We provide product warranties with varying terms and durations for the stations we build and sell, and we establish reserves for the estimated liability associated with these warranties. Our warranty reserves are based on historical trends and any specifically identified warranty issues of which we may be aware, and the amounts estimated for these reserves could differ materially from the warranty costs we may actually realize. We would be adversely affected by an increase in the rate or volume of warranty claims or the amounts involved in warranty claims, any of which could increase our costs beyond our established reserves and cause our cash position and financial condition to suffer.

Increased global IT security threats and more sophisticated and targeted computer crime pose a risk to our systems, networks, products, and services.

Increased global IT security threats and more sophisticated and targeted computer crime pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. Depending on their nature and scope, these threats could potentially lead to the compromise of confidential information, improper use of our systems and networks, manipulation and destruction of data, operational disruptions and substantial financial outlays. Implementing security measures designed to prevent, detect, mitigate or correct these threats involves significant costs, and any such measures could fail. The occurrence of any of these risks could materially harm our business, reputation and performance.

Risks Related to Our Common Stock

Sales of our common stock, or the perception that such sales may occur, could cause the market price of our stock to drop significantly, regardless of the state of our business.

All outstanding shares of our common stock are eligible for sale in the public market, subject in certain cases to the requirements of Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). Also, shares of our common stock

that may be issued upon the exercise, vesting and settlement or conversion of our outstanding stock options, restricted stock units and convertible notes may be eligible for sale in the public market, to the extent permitted by Rule 144 and the provisions of the applicable stock option, restricted stock unit and convertible note agreements or if such shares have been registered under the Securities Act. If these shares are sold, or if it is perceived that they may be sold, in the public market, the trading price of our common stock could decline.

In addition, all shares of our common stock held by our co-founder and board member T. Boone Pickens are pledged as security for loans made to Mr. Pickens by third parties. We are not a party to these loans. If the price of our common stock declines, Mr. Pickens may be forced to provide additional collateral for the loans or to sell shares of our common stock in order to remain within the margin limitations imposed by the loans. Any sales of our common stock following such a margin call that is not satisfied, or any other large sales of our common stock by our officers or directors, may cause the price of our common stock to decline.

A significant portion of our common stock is beneficially owned by a single stockholder whose interests may differ from yours and who is able to exert significant influence over our corporate decisions, including a change of control.

A significant portion of our common stock is currently beneficially owned by our co-founder and board member T. Boone Pickens. In addition, if our proposed issuance and sale of shares of our common stock to Total is completed, then Total would hold approximately 25.0% of our issuance and outstanding shares of common stock and the largest ownership position of our Company. These or other large stockholders may be able to influence or control matters requiring approval by our stockholders, including the election of directors and mergers, acquisitions or other extraordinary transactions. These stockholders, however, may have interests that differ from ours or yours and may vote or otherwise act in ways with which you disagree or that may be adverse to your interests. A concentration of stock ownership may also have the effect of delaying, preventing or deterring a change of control of our Company, which could deprive our stockholders of an opportunity to receive a premium for their shares of our common stock as part of a sale of our Company and could affect the market price of our common stock. Conversely, such a concentration of stock ownership may facilitate a change of control at a time when you and other investors may prefer not to sell.

The price of our common stock may fluctuate significantly, and you could lose all or part of your investment.

The market price of our common stock has experienced, and may continue to experience, significant volatility. This volatility may be in response to factors that are beyond our control. Factors that may cause volatility in the price of our common stock include, among others:

- The factors that may influence the adoption of natural gas as a vehicle fuel, as discussed in these risk factors above;
- Our ability to implement our business plans and their level of success, including, among others, our initiatives to build ANGH and to fuel a greater number of natural gas heavy-duty trucks;
- Failure to meet or exceed the financial guidance we have provided to the public or the estimates and projections of the investment community;
- The market's perception of the success and importance of any acquisitions, divestitures, investments or other strategic relationships or transactions;
- Changes in political, regulatory, economic and market conditions;
- Changes to our management, including officer or director departures or other changes;
- Our issuance of additional shares of our common stock (or securities convertible into or exchangeable for our common stock);
- A change in the trading volume of our common stock; and
- The other risks described in these risk factors.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies, but which have affected the market prices of these companies’ securities. These market fluctuations may also materially and adversely affect the market price of our common stock. Moreover, volatility or declines in the market price of our common stock could have other negative consequences, including, among others,

potential impairments to our assets or goodwill or a reduced ability to use our common stock for capital-raising, acquisitions or other purposes. The occurrence of any of these risks could materially and adversely affect our financial condition, results of operations and liquidity and could cause further declines in the market price of our common stock.

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

None.

Item 3.—Defaults upon Senior Securities

None.

Item 4.—Mine Safety Disclosures

None.

Item 5.—Other Information

On May 9, 2018, we entered into a stock purchase agreement (the "Purchase Agreement") with Total Marketing Services, S.A., a wholly owned subsidiary of Total S.A. ("Total"). Pursuant to the Purchase Agreement, we agreed to sell and issue, and Total agreed to purchase, up to 50,856,296 shares of our common stock at a purchase price of $1.64 per share, all in a private placement (the "Total Private Placement"). The purchase price per share was determined based on the volume-weighted average price for the Company's common stock between March 23, 2018 (the day on which discussions began between the Company and Total) and May 3, 2018 (the day on which the Company agreed in principle with Total regarding the structure and basic terms of its investment). If all of the shares to be sold under the Purchase Agreement are issued, then we would receive gross proceeds from such sale of $83.4 million and, immediately after such issuance (and based on the number of shares of our common stock outstanding as of April 10, 2018, which was 152,514,550), Total would hold 25.0% of the outstanding shares of our common stock and the largest ownership position of our Company. As of the date of the Purchase Agreement, Total did not hold or otherwise beneficially own any shares of our common stock, and Total has agreed, until the later of May 9, 2020 or such date when it ceases to hold more than 5.0% of our common stock then outstanding, among other similar undertakings and subject to customary conditions and exceptions, to not purchase shares of our common stock or otherwise pursue transactions that would result in Total beneficially owning more than 30.0% of our equity securities without the approval of our board of directors.

Pursuant to the Purchase Agreement, the completion of the Total Private Placement is conditioned on the satisfaction or waiver (if and to the extent permitted by applicable laws, rules and regulations) of certain specified conditions, including, among others, that we obtain the approval of our stockholders at our 2018 annual stockholders' meeting of the issuance of all of the shares to be sold under the Purchase Agreement (as and to the extent required by applicable rules of the Nasdaq Stock Market) and the amendment of our Restated Certificate of Incorporation to increase the number of shares of our common stock we are authorized to issue thereunder. Pursuant to the Purchase Agreement, if we fail to obtain these approvals, then Total would have the right, exercisable in its sole discretion within two calendar weeks after the conclusion of our 2018 annual stockholders' meeting, to elect to purchase fewer shares of our common stock, in an amount equal to 19.99% of the lesser of the number of shares of our common stock outstanding immediately before the Purchase Agreement was signed (which was 152,568,887 shares and 19.99% of which is 30,498,520 shares), and the number of shares of our common stock outstanding immediately before Total's delivery to us of a notice indicating its election to exercise such right. Any such sale, issuance and purchase of fewer shares of our common stock would be completed under the terms of the Purchase Agreement, including the price per share set forth above, and would result in gross proceeds to us of up to $50.0 million.

The Purchase Agreement also provides that Total will have the right to designate up to two individuals to serve as directors on our board of directors. Subject to certain limited conditions as described in the Purchase Agreement, including compliance with our governing documents and all applicable laws, rules and regulations, we will be obligated to appoint or nominate for election as directors of our Company the individuals so designated by Total and, from and after such appointment or election, appoint one of these individuals to serve on the audit committee of our board of directors and any other board committees that may be formed from time to time for the purpose of making decisions that are strategically significant to our Company. Total's rights and our obligations relating to these designees commence at the time any shares are issued to Total under the Purchase Agreement, and continue until (and if) (1) with respect to Total's right to designate two individuals to serve as directors on our board of directors, Total's voting power is less than 16.7% but more than 10.0%, and (2) with respect to Total's right to designate one individual to serve as a director on our board of directors, Total's voting power is less than 10.0%, in each case measured in relation to the total votes then entitled to be cast in an election of directors by our stockholders. The Purchase Agreement also contains representations, warranties and other covenants made by us and Total that are customary for transactions of this nature.

In connection with the Purchase Agreement, on May 9, 2018, we and all of our directors and officers entered into a voting agreement with Total. Pursuant to the voting agreement, each of our current directors and officers has agreed to vote all shares of our common stock presently or hereafter owned or controlled by him, in any vote of our stockholders that may be held from time to time, in favor of certain matters, including the approval at our 2018 annual stockholders' meeting of the matters described above as conditions to the completion of the Total Private Placement, as well as the election of the individuals designated by Total to serve as directors on our board of directors. Each of our directors and officers has also granted to Total a proxy to vote all such shares in accordance with the terms of the voting agreement. For each of our directors and officers party to the voting agreement, the voting obligations contained in the agreement continue from and after, and for so long as, Total's director designation rights are in effect, as described above, and such director or officer continues to serve in such capacity for our Company (other than Mr. Boone Pickens, one of our directors and co-founders, who will continue to be bound by the voting obligations even after he ceases to serve as such for our Company) and continues to hold shares of our common stock.

We expect the Total Private Placement to be completed promptly following the satisfaction of all conditions as set forth in the Purchase Agreement. We expect to use any net proceeds received from the Total Private Placement for working capital and general corporate purposes, which may include, among other purposes, executing our business plans, pursuing opportunities for further growth, and retiring a portion of our outstanding indebtedness.

Pursuant to the Purchase Agreement, we have also agreed to enter into a registration rights agreement with Total at the closing of the issuance and sale of our common stock to Total under the Purchase Agreement. Pursuant to the registration rights agreement, we will be obligated to, at our expense, (1) within 60 days after the issuance and sale of shares of our common stock to Total under the Purchase Agreement, file one or more registration statements with the SEC to cover the resale of such shares, (2) use our commercially reasonable efforts to cause all such registration statements to be declared effective within 90 days after the initial filing thereof with the SEC, (3) use our commercially reasonable efforts to maintain the effectiveness of such registration statements until all such shares are sold or may be sold without restriction under Rule 144 under the Securities Act, and (4) with a view to making available to the holders of such shares the benefits of Rule 144, make and keep available adequate current public information, as defined in Rule 144, and timely file with the SEC all required reports and other documents, until all such shares are sold or may be sold without restriction under Rule 144. If such registration statements are not filed or declared effective as described above or any such effective registration statements subsequently become unavailable for more than 30 days in any 12-month period while they are required to maintained as effective, then we would be required to pay liquidated damages to Total equal to 0.75% of the aggregate purchase price for the shares remaining eligible for such registration rights each month for each such failure (up to a maximum of 4.0% of the aggregate purchase price for the shares remaining eligible for such registration rights each year).

The offer and sale of the shares issuable to Total under the Purchase Agreement have not been registered under the Securities Act or any state or foreign securities laws, and may not be offered or sold absent such registration or an exemption from such registration requirements. These shares are being offered and sold in reliance on an exemption from registration afforded by Section 4(a)(2) of the Securities Act, Regulation S under the Securities Act and Rule 506 of Regulation D under the Securities Act, primarily based on the following facts: (1) Total has represented to us that it is an accredited investor within the meaning of Rule 501 of Regulation D or a qualified institutional buyer within the meaning of Rule 144A, in each case under the Securities Act, and that it is not a U.S. person within the meaning of Rule 902 of Regulation S under the Securities Act; (2) Total has represented to us that it is acquiring the shares for its own account for investment only and with no present intention of distributing any of them or any arrangement or understanding with any other person regarding the distribution thereof, except in compliance with certain transfer restrictions set forth in the Purchase Agreement; (3) Total has represented to us that it is knowledgeable, sophisticated and experienced in making, and is qualified to make, decisions with respect to investments in securities presenting an investment decision like that involved in the purchase of the shares; (4) we used no advertising or general solicitation in connection with the offer and sale of the shares to Total; and (5) the shares that are issued to Total will be issued as restricted securities. This description of the Total Private Placement is neither an offer to sell nor a solicitation of an offer to buy any of our securities.

The foregoing summary of the Total Private Placement does not purport to be complete and is subject to, and is qualified in its entirety by, the full text of the related agreements, which have been filed as exhibits to this report.

In addition, and separate from the Total Private Placement, we have also entered into a non-binding letter of intent with Total in which both parties have agreed to negotiate in good faith regarding the launch of a truck leasing program and related credit support arrangement designed to facilitate and grow the deployment of heavy-duty natural gas trucks in the United States. This program and arrangement are subject to completion of definitive agreements, and as a result, may not be launched when or as expected, on terms similar to those contemplated by the letter of intent, or at all.

Item 6.—Exhibits

The information required by this Item 6 is set forth on the Exhibit Index that immediately precedes the signature page to this report and is incorporated herein by reference.

EXHIBIT INDEX

Exhibit Number	Description
31.1*	Certification of Andrew J. Littlefair, President and Chief Executive Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Robert M. Vreeland, Chief Financial Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Andrew J. Littlefair, President and Chief Executive Officer, and Robert M. Vreeland, Chief Financial Officer.
10.125*	Stock Purchase Agreement dated May 9, 2018, between the Registrant and Total Market Services, S.A.
10.126*	Voting Agreement dated May 9, 2018, among the Registrant, Total Market Services, S.A., and the directors and officers of the Registrant signatory thereto.
10.127*	Form of Registration Rights Agreement, between the Registrant and Total Market Services, S.A.
101*	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets as of December 31, 2017 and March 31, 2018; (ii) Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2017 and 2018; (iii) Condensed Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2017 and 2018; (iv) Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2017 and 2018; and (v) Notes to Condensed Consolidated Financial Statements.

* Filed herewith.
** Furnished herewith.

SIGNATURE

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

CLEAN ENERGY FUELS CORP.

Date: May 10, 2018

By: /s/ ROBERT M. VREELAND

Robert M. Vreeland

Chief Financial Officer
(Principal financial officer and duly authorized to sign on behalf of the registrant)

Exhibit 10.125

CLEAN ENERGY FUELS CORP.

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT ("Agreement") is made as of May 9, 2018, by and between Clean Energy Fuels Corp., a Delaware corporation (the "Company"), and Total Marketing Services S.A., a company incorporated and registered in France (Company Number 542 034 921) (the "Purchaser").

WHEREAS, the Company has outstanding shares of common stock, par value $0.0001 per share (the "Common Stock"), which shares of Common Stock are currently traded on the Trading Market (as defined below).

WHEREAS, the Purchaser desires to purchase, and the Company has agreed to sell, shares of Common Stock, pursuant to the terms and subject to the conditions set forth in this Agreement.

WHEREAS, concurrently with entering into this Agreement, the Company, Purchaser and the other parties thereto are entering into the Voting Agreement (as defined below).

WHEREAS, the parties have signed a non-binding letter of intent to negotiate in good faith a Credit Support Agreement a copy of which is attached hereto as Exhibit A (the "Credit Support Letter of Intent").

AGREEMENT

In consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Purchaser hereby agree as follows:

SECTION 1.DEFINITIONS.

In addition to the terms defined elsewhere in this Agreement, for purposes of this Agreement, the following terms shall have the following meanings:

1.1 "Affiliate" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person. For purposes of this definition, "control" (including, for the avoidance of doubt, its correlative meanings "controlled by" and "under common control with"), when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

1.2 "Approval" means such approval from the stockholders of the Company at the Stockholder Meeting (as defined below) as may be required by Nasdaq Rule 5635 and interpretations thereof with respect to the authorization and issuance of the Shares, together with such approval from the stockholders of the Company at the Stockholder Meeting as may be required by the Delaware General Corporation Law, the Certificate of Incorporation and the Bylaws to implement, and the implementation of, an increase to the number of shares of Common Stock the

Company is authorized to issue by an amount sufficient to allow the Company to issue all of the Shares.

1.3 "Board" means the Board of Directors of the Company.

1.4 "Business Day" means a day, other than a Saturday or Sunday, on which banks in New York City and Paris, France are open for the general transaction of business.

1.5 "Environmental Law" means any Applicable Law (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata), or (b) concerning the presence of, exposure to or the management, manufacture, distribution, use, containment, storage, handling, recycling, reclamation, reuse, treatment, generation, discharge, release (or threatened release), transportation, processing, production, disposal or remediation of any Hazardous Materials under any such Applicable Law, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

1.6 "Governmental Entity" means any U.S. or foreign federal, state, provincial, county, municipal or local government or other political subdivision thereof or any other governmental, quasi-governmental, administrative, judicial, arbitral, legislative, executive, regulatory or self-regulatory authority, department, court, judicial body, tribunal (including arbitration tribunal), instrumentality, agency, commission or body and any entity exercising executive, legislative, judicial, regulatory, taxing or administrative functions of or pertaining to government. The definition of "Governmental Entity" shall include Nasdaq.

1.7 "Hazardous Materials" means any chemicals, pollutants, contaminants, toxic or hazardous substances or wastes, or other materials that are identified as hazardous, or words of similar import or regulatory effect, in any Environmental Law.

1.8 "International Economic Sanctions" means any Applicable Laws relating to economic sanctions enacted, administered, imposed or enforced by a Governmental Entity, including the United States, the United Nations, or the European Union.

1.9 "Knowledge of the Company" means, with respect to the Company, the knowledge of any of Andrew J. Littlefair, Robert M. Vreeland, Mitchell Pratt, J. Nathan Jensen, and Barclay F. Corbus. Such individuals shall be deemed to have "knowledge" of a particular fact or other matter if (a) such individual has or at any time had actual knowledge of such fact or other matter or (b) a prudent individual would be expected to discover or otherwise become aware of such fact or other matter in the course of conducting a reasonable due inquiry or investigation concerning the existence thereof.

1.10 "Lien" means, with respect to any property, asset, interest or equity, any pledge, mortgage, security interest, license grant, encumbrance, lien (statutory or otherwise), charge,

assessment, claim, right of set-off, title retention, title defect, right of first refusal, right to acquire, option, right of pre-emption or conversion, or any agreement to create any of the foregoing.

1.11 "Material Adverse Effect" means any change, event, development, condition, occurrence or effect that (a) is, or would reasonably be expected to be, materially adverse to the business, financial condition, assets, liabilities or results of operations of the Company and its subsidiaries, taken as a whole, or (b) materially impairs the ability of the Company to comply, or prevents the Company from complying, with its material obligations with respect to the Closing or would reasonably be expected to do so; provided, however, that none of the following shall be deemed in themselves, either alone or in combination, to constitute, and that none of the following shall be taken into account in determining whether there has been or will be, a Material Adverse Effect under clause (a) of this definition:

(i) any change generally affecting the economy, financial markets or political, economic or regulatory conditions in the United States or any other geographic region in which the Company conducts business, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(ii) general financial, credit or capital market conditions, including interest rates or exchange rates, or any changes therein, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(iii) any change that generally affects industries in which the Company and its subsidiaries conduct business, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(iv) acts of war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility or terrorism, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(v) any hurricane, earthquake, flood or other natural disasters or acts of God, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(vi) changes in federal, state, local or foreign laws, rules or regulations after the date hereof, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(vii) changes in accounting principles generally accepted in the United States of America ("GAAP") after the date of this Agreement, to the extent the Company and its subsidiaries are not disproportionately affected thereby;

(viii) in and of itself, a decline in the price of the Common Stock on the Trading Market or any other market in which such securities are quoted for purchase and sale (it being understood that the facts and circumstances giving rise to such decline may be deemed to constitute, and may be taken into account in determining whether there has been, a Material Adverse

Effect to the extent that such facts and circumstances are not otherwise described in clauses (i)-(vii) of the definition); and

(ix) in and of itself, any failure by the Company to meet any published or internally prepared estimates of revenues, earnings or other economic performance for any period ending on or after the date of this Agreement (it being understood that the facts and circumstances giving rise to such failure may be deemed to constitute, and may be taken into account in determining whether there has been, a Material Adverse Effect to the extent that such facts and circumstances are not otherwise described in clauses (i)-(vii) of the definition).

1.12 "Nasdaq" means The Nasdaq Stock Market.

1.13 "Permitted Lien" means (i) cashiers', mechanics', materialmens', carriers', workmens', repairmens', contractors', warehousemens' Liens arising or incurred under a statute in the ordinary course of business and for amounts which are not delinquent or are being contested in good faith and are not material individually or in the aggregate, (ii) easements, covenants, conditions, rights-of-way, restrictions and other similar charges and encumbrances of record, and other title defects, related to real property not interfering materially with the ordinary conduct of the business or detracting materially from the use, occupancy, value or marketability of title of the real property subject thereto, (iii) zoning, building codes or other land use laws regulating the use or occupancy of the real property used in the operation of the business of the Company and its subsidiaries or the activities conducted thereon which are imposed by any Governmental Entity having jurisdiction over such real property which are not violated by the current use or occupancy of such real property or the operation of the business of the Company and its subsidiaries, (iv) Liens for Taxes that the taxpayer is contesting in good faith and for which reserves have been established in accordance with GAAP and for Taxes not yet due and payable, (v) restrictions under real property leases subleases and other occupancy agreements related to real property to which the Company or any of its subsidiaries is a party not interfering materially with the ordinary conduct of the business or detracting materially from the use or occupancy of such real property, (vi) pledges or deposits under workers' compensation legislation or unemployment insurance laws, (vii) Liens granted to any lender with any financing disclosed in the SEC Documents, (viii) Liens, if any, reflected in the latest Financial Statements set forth in the SEC Documents, or (ix) Liens that are not material in amount and do not adversely affect the use made and proposed to be made of such property by the Company and its subsidiaries.

1.14 "Person" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Entity or any other form of entity not specifically listed.

1.15 "Registration Rights Agreement" means the Registration Rights Agreement in the form attached hereto as Exhibit C.

1.16 "Rule 144" means Rule 144 promulgated under the Securities Act.

1.17 "subsidiary" means each entity that is consolidated with the Company for financial statement purposes.

1.18 "Tax" means any federal, state, local, foreign or other taxes, fees, duties, levies, imposts or similar government charges in the nature of a tax or other like assessments of any kind whatsoever (including withholding on amounts paid to or by any Person), together with any interest, penalty, or addition to tax imposed by any Governmental Entity.

1.19 "Tax Return" means any return, document, declaration, report, form, election or other information or filing (including any attachments thereto or amendment thereof) provided or required to be provided to any Governmental Entity with respect to Taxes.

1.20 "Trading Day" means a day on which the Trading Market is open for trading.

1.21 "Trading Market" means The Nasdaq Global Select Market, or if the Common Stock is listed or quoted on another national securities exchange or trading or quotation system as of the date in question, such other exchange or trading or quotation system.

1.22 "Transaction Documents" means, collectively, this Agreement, the Registration Rights Agreement, the Voting Agreement, and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transactions contemplated hereby and thereby, as may be amended from time to time, but excluding the Credit Support Letter of Intent and any agreements or other documents related thereto or contemplated thereby.

1.23 "Transactions" means collectively, the transactions contemplated by this Agreement and the other Transaction Documents, but excluding the transactions contemplated by the Credit Support Letter of Intent.

1.24 "Voting Agreement" means the voting agreement of even date herewith, entered into by and among the Company, Purchaser, and each of the Company's directors and executive officers, a copy of which is attached hereto as Exhibit D.

SECTION 2. AGREEMENT TO SELL AND PURCHASE THE SHARES.

2.1 Purchase of Shares. Subject to the satisfaction or waiver of the conditions set forth in Section 3.2, at the Closing, the Company shall issue, sell and deliver to the Purchaser, and the Purchaser shall purchase from the Company, free and clear of all Liens, 50,856,296 shares of Common Stock (the "Shares") at a purchase price per share (the "Per Share Purchase Price") equal to $1.64 (such number of shares of Common Stock and purchase price per share to be adjusted for any split, combination or reclassification of the Common Stock effected between the date hereof and the Closing).

2.2 Nasdaq Compliance. Notwithstanding anything to the contrary in this Agreement or the other Transaction Documents, the Company shall have no obligation to issue, and shall not issue, any shares of Common Stock pursuant to this Agreement either (a) before the Stockholder Meeting commences, or (b) if such issuance would result in a violation of the Company's

obligations under the rules and regulations of Nasdaq or any other Trading Market on which the Common Stock is listed or quoted (including the interpretive guidance of Nasdaq or such other Trading Market with respect thereto and any notifications the Company may receive from Nasdaq or such other Trading Market in connection with the Transactions). The provisions of this Agreement shall be implemented in a manner other than in strict conformity with the terms hereof, solely to the extent necessary to ensure the Company's compliance with all such rules and regulations.

SECTION 3. CLOSING, CLOSING CONDITIONS AND CLOSING DELIVERIES.

3.1 Closing. The closing of the purchase and sale of the Shares pursuant to this Agreement (the "Closing") shall occur at 10:00 a.m., Pacific time, on the third Trading Day after the satisfaction or waiver of each of the conditions set forth in Section 3.2 (except for such conditions that by their nature will be satisfied at Closing, but subject to their satisfaction) at the principal executive offices of the Company located at 4675 MacArthur Court, Suite 800, Newport Beach, California 92660, or at such other time or place as may be agreed to by the Company and the Purchaser. The date on which the Closing actually occurs is herein referred to as the "Closing Date."

3.2 Closing Conditions.

(a) Mutual Closing Conditions. The respective obligations of each party hereto at the Closing are subject to the satisfaction (or waiver, if and to the extent permitted by Applicable Law), on or before the Closing, of the following conditions:

(i) There shall be no federal, state, local or foreign laws, rules, regulations, injunctions, judgments, decrees or orders enacted, entered, promulgated, enforced or deemed applicable by any Governmental Entity of competent jurisdiction ("Applicable Laws") that are in effect and make illegal or otherwise prohibit or materially delay the consummation of the Closing or Purchaser's purchase or ownership of the Shares.

(ii) The Company shall have obtained the Approval; provided, however, that if the Approval is not obtained at the Stockholder Meeting, then the Purchaser shall have the right to waive in accordance with this Section 3.2(a)(ii) (the "Waiver Right"), and if the Purchaser so elects to waive then the Company shall waive, the condition that the Approval shall have been obtained on or before the Closing solely with respect to the purchase and sale by the Purchaser hereunder of such number of shares of Common Stock equal to 19.99% of the lesser of (x) the number of shares of Common Stock outstanding immediately before the execution and delivery of this Agreement, and (y) the number of shares of Common Stock outstanding immediately before the delivery to the Company of the Notice (as defined below) (such shares, rounded down to the nearest whole share and no greater or lesser number of shares, the "Reduced Shares") and solely if permitted by Applicable Law, including without resulting in a violation of the Company's obligations under the rules and regulations of Nasdaq or any other Trading Market on which the Common Stock is listed or quoted (including the interpretive guidance of Nasdaq or such other Trading Market with respect thereto and any notifications the Company may receive from Nasdaq or such other Trading

Market in connection with the Transactions). If the Approval is not obtained at the Stockholder Meeting and the Purchaser elects to exercise the Waiver Right, then it shall deliver to the Company a notice (the "Notice") of such election at any time from and after the date the Stockholder Meeting commences until the date that is two calendar weeks after the conclusion of the Stockholder Meeting, and the closing of the purchase and sale of the Reduced Shares shall occur within five Trading Days after the later of (A) the date of the Notice, and (B) the date on which all conditions set forth in this Section 3.2 have been satisfied or waived. If the Purchaser exercises the Waiver Right in accordance with this Section 3.2(a)(ii) and the other terms and conditions of this Agreement, then all references in this Agreement to (1) "Shares" shall be deemed to refer to the Reduced Shares, (2) "Closing" and "Closing Date" shall be deemed to refer to the closing of the purchase and sale of the Reduced Shares pursuant to this Agreement and the date thereof, respectively, and (3) "Purchase Price" shall be deemed to refer to an amount equal to the product of the Per Share Purchase Price and the number of Reduced Shares.

(b) Conditions to Purchaser's Obligations. The Purchaser's obligation to purchase the Shares and pay the Purchase Price (as defined below) at the Closing is subject to the satisfaction, on or before the Closing, of each of the following conditions, unless waived in writing by the Purchaser at its sole discretion:

(i) The Company shall have performed and complied with all agreements, covenants and conditions herein required to be performed or complied with by the Company on or before the Closing, or any non-performance or non-compliance shall have been cured.

(ii) There shall not have occurred any change, event, development, condition, occurrence or effect that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(iii) The Company shall have delivered, or caused to be delivered, to the Purchaser all of the Company's Closing deliveries set forth in Section 3.3 (other than the Closing delivery set forth in Section 3.3(b)).

(c) Conditions to the Company's Obligations. The Company's obligation to issue and sell the Shares at the Closing is subject to the satisfaction, on or before the Closing, of each of the following conditions, unless waived in writing by the Company at its sole discretion:

(i) The Purchaser shall have performed and complied with all agreements, covenants and conditions herein required to be performed or complied with by the Purchaser on or before the Closing, or any non-performance or non-compliance shall have been cured.

(ii) The Purchaser shall have delivered, or caused to be delivered, to the Company all of the Purchaser's Closing deliveries set forth in Section 3.3 (other than the Closing delivery set forth in Section 3.3(a)).

3.3 Closing Deliveries.

(a) Payment of the Purchase Price at Closing. At the Closing, the Purchaser shall deliver, or cause to be delivered, to the Company, by wire transfer of immediately available funds to the account set forth on Exhibit B, an amount equal to $83,404,325.44 (the "Purchase Price").

(b) Issuance of the Shares at the Closing. At the Closing, the Company shall issue, or cause the Company's transfer agent to issue, to the Purchaser the Shares in global form through a restricted book-entry account maintained by the Company's transfer agent registered in the name of Purchaser, representing the number of Shares purchased by the Purchaser at the Closing against payment of the Purchase Price (including providing a copy of the irrevocable instructions delivered by the Company to the Company's transfer agent instructing the transfer agent to issue the Shares to the Purchaser by crediting the Shares to an account of the Purchaser on the transfer agent's restricted book-entry system on the date of the Closing and acknowledgement thereof by the Company's transfer agent).

(c) Registration Rights Agreement. At the Closing, each of the Company and the Purchaser shall execute and deliver to the other party the Registration Rights Agreement.

(d) Secretary's Certificate. At the Closing, the Purchaser shall have received a certificate signed by the Secretary of the Company, certifying (i) the resolutions of the Board approving this Agreement and all of the Transactions and (ii) if the approval of any committee of the Board is required to authorize this Agreement or any of the Transactions, the appropriate resolutions of such committee.

(e) Compliance Certificate. At the Closing, the Purchaser shall have received a certificate signed by the Chief Executive Officer and Chief Financial Officer of the Company certifying to the satisfaction of the conditions set forth in Section 3.2(b).

(f) Legal Opinion. At the Closing, the Company shall cause to be delivered to the Purchaser the legal opinion of Morrison & Foerster LLP in substantially the form agreed by the parties hereto.

SECTION 4. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

Except as disclosed in the SEC Documents that are publicly available as of the date of this Agreement; provided that in no event shall any risk factor disclosure under the heading "Risk Factors" or disclosure set forth in any "forward-looking statements" disclaimer or other statements to the extent they are predictive or forward-looking in nature that are included in any part of any SEC Document be deemed to be an exception to, or, as applicable, disclosure for purposes of, any representations and warranties of the Company contained in this Agreement, the Company hereby represents and warrants to and covenants with the Purchaser as follows:

4.1 Organization and Standing. The Company and each of its subsidiaries has been duly incorporated or formed, is duly organized, validly existing and in good standing under the laws of its state or other jurisdiction of incorporation or organization, has full corporate or other power and authority necessary to own or lease its properties and conduct its business as presently conducted, and is duly qualified as a foreign corporation and in good standing in all jurisdictions in which the character of the property owned or leased or the nature of the business transacted by it makes qualification necessary, except where the failure to be so qualified would not have a Material Adverse Effect.

4.2 Corporate Power; Authorization. The Company has all requisite corporate power, and the Company and its Board have taken all requisite corporate action, to authorize, execute and deliver this Agreement and each of the other Transaction Documents to which the Company is a party, to consummate the Transactions and to carry out and perform all of the Company's obligations hereunder and thereunder and, other than the receipt of the Approval, no further consent or authorization is required by the Company, the Board, the Company's stockholders, or other governing body of the Company or any of its subsidiaries to consummate the Transactions. Upon the execution and delivery of this Agreement and each Transaction Document by the Company, this Agreement and each such Transaction Document shall constitute a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally and (b) as limited by equitable principles generally, including any specific performance.

4.3 Issuance and Delivery of the Shares. The Shares have been duly authorized and, when issued and paid for in compliance with the provisions of this Agreement, will be validly issued, fully paid and non-assessable. The issuance and delivery of the Shares is not, and immediately after the Closing, the Shares will not be, subject to any Liens or any other similar rights of the stockholders of the Company or any other Person (other than Liens created by Purchaser). Assuming the accuracy of the representations made by the Purchaser in SECTION 5, the offer and sale by the Company of the Shares at each Closing is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act").

4.4 SEC Documents; Financial Statements. The Company has filed in a timely manner all reports, schedules, forms, statements and other documents that the Company has been required to file with the Securities and Exchange Commission (the "Commission") under Sections 13, 14(a) and 15(d) the Securities Exchange Act of 1934, as amended (the "Exchange Act"), since January 1, 2017 (all of the foregoing documents, including all exhibits and appendices thereto, and all financial statements, notes, correspondence and schedules thereto and documents incorporated therein by reference, together with any documents filed by the Company under the Exchange Act, whether or not required, being collectively referred to herein as the "SEC Documents"). As of their respective filing dates (or, if amended before the date of this Agreement, when amended), all SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission promulgated thereunder. None of the SEC Documents as of their respective filing dates contained any untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in

light of the circumstances under which they were made, not misleading. The financial statements of the Company and its subsidiaries, on a consolidated basis, set forth in the SEC Documents (the "Financial Statements") comply in all material respects with applicable accounting requirements and with the published rules and regulations of the Commission with respect thereto. The Financial Statements have been prepared in accordance with GAAP, consistently applied, and fairly present the financial position of the Company and its subsidiaries at the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to only normally recurring adjustments necessary to state fairly the Company's financial position, results of operations and cash flows as of and for the dates or periods presented .

4.5 Capitalization. All of the Company's outstanding shares of capital stock have been duly authorized and validly issued and are fully paid and non-assessable and were not issued in violation of or subject to any Lien, preemptive right or other rights to subscribe for or purchase securities. As of the date hereof, the authorized capital stock of the Company consists of 224,000,000 shares of Common Stock and 1,000,000 shares of undesignated preferred stock, par value $0.0001 (the "Preferred Stock"). As of the date of this Agreement, and without giving effect to the Transactions, there are no shares of Preferred Stock issued and outstanding and there are 152,568,887 shares of Common Stock issued and outstanding, of which no shares are owned by the Company. There are no other shares of any other class or series of capital stock of the Company authorized, issued or outstanding. The Company has no capital stock reserved for issuance, except that, as of the date of this Agreement (and without giving effect to the Transactions), there are (a) 13,022,146 shares of Common Stock reserved for issuance pursuant to the exercise or vesting and settlement, as applicable, of options and restricted stock units outstanding on such date, (b) 7,080,128 shares of Common Stock reserved for issuance pursuant to the conversion of the Company's $110,450,000 aggregate principal amount of 5.25% Convertible Senior Notes due 2018 outstanding on such date, (c) 7,911,392 shares of Common Stock reserved for issuance pursuant to the conversion of the Company's $125,000,000 aggregate principal amount of 7.5% Convertible Notes due 2019 and 2020 (such convertible notes, together with the 5.25% Convertible Senior Notes due 2018, the "Convertible Notes") outstanding on such date, and (d) 2,653,748 shares of Common Stock reserved for issuance pursuant to grants of future awards or future purchases, as applicable, under the Company's 2016 Performance Incentive Plan (as amended to date, the "2016 Plan") and the Company's 2013 Employee Stock Purchase Plan (as amended to date, the "ESPP"). Except as set forth above, and except for the issuance of the Shares pursuant to this Agreement, there are no existing options, warrants, calls, subscriptions or other rights, agreements, arrangements or commitments of any character, relating to the issued or unissued capital stock of the Company, obligating the Company to issue, transfer, sell, redeem, purchase, repurchase or otherwise acquire or cause to be issued, transferred, sold, redeemed, purchased, repurchased or otherwise acquired any capital stock of, or other equity interest in, the Company or securities or rights convertible into or exchangeable for such shares or equity interests or obligations of the Company to grant, extend or enter into any such option, warrant, call, subscription or other right, agreement, arrangement or commitment. Neither the execution of this Agreement nor the issuance of the Shares pursuant to this Agreement will give rise to any preemptive rights, rights of first refusal or any other Liens on behalf of any Person or result in the triggering of any anti-dilution or other similar rights. Except as disclosed in the SEC Documents, and except for the Registration

Rights Agreement, there are no agreements or arrangements under which the Company or any of its subsidiaries is obligated to register the sale of any of their securities under the Securities Act. Except as disclosed in the SEC Documents, (i) to the Company's Knowledge, and based solely on a review of Schedule 13D, Schedule 13G, and Forms 3, 4 and 5 filed with the Commission as of the date hereof, no Person or "group" (as defined in Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder) "beneficially" (as defined in Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder) owns 10% or more of the Company's issued and outstanding shares of Common Stock (calculated based on the assumption that all convertible securities, whether or not presently exercisable or convertible, have been fully exercised or converted (as the case may be) taking account of any limitations on exercise or conversion (including "blockers") contained therein without conceding that such identified Person is a 10% stockholder for purposes of federal securities laws); (ii) there are no outstanding securities or instruments of the Company which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company is or may become bound to redeem a security of the Company; and (iii) the Company has no stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement. The Company has furnished to Purchaser true, correct and complete copies of the terms of all securities convertible into, or exercisable or exchangeable for, shares of Common Stock and the material rights of the holders thereof in respect thereto (except for differences in vesting or other provisions of the Company's outstanding equity awards granted under and in accordance with the terms of the Company's equity incentive plans, true, correct and complete copies of which are included in the SEC Documents).

4.6 Certificate of Incorporation and Bylaws. The Company has made available to the Purchaser, true, correct and complete copies of the Company's Certificate of Incorporation, as amended and as in effect as of the date hereof (the "Certificate of Incorporation"), and the Company's Bylaws, as amended and as in effect as of the date hereof (the "Bylaws"). The Company shall not amend or otherwise modify the Certificate of Incorporation or Bylaws before the Closing Date except as contemplated by the Amended Proxy Statement (as defined below).

4.7 Litigation. As of the date hereof there are no actions, suits, investigations, claims or other proceedings pending or, to the Knowledge of the Company, threatened in writing against, or affecting, the Company, any of its subsidiaries or any of the Company's officers or directors in their capacity as such before or by any court, regulatory body or administrative agency or any other Governmental Entity, which actions, suits, investigations, claims or other proceedings (a) individually or in the aggregate, would reasonably be expected to challenge this Agreement or adversely affect, prohibit or delay the Transactions, or (b) would reasonably be expected to result in an injunction or equitable remedy or payment by the Company of more than $5,000,000 in each case. There has not been and there is not pending or, to the Knowledge of the Company, contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the Securities Act or the Exchange Act. Neither the Company nor any of its subsidiaries is a party to or subject to the provisions of any injunction, judgment, decree or order of any court, regulatory body, administrative agency or other Governmental Entity that would reasonably be expected to have a Material Adverse Effect.

4.8 Governmental Entity Consents. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any U.S. Governmental Entity is required on the part of the Company in connection with the consummation of the Transactions, except for (a) such consents, approvals, orders, authorizations, registrations, qualifications, designations, declarations or filings as have been made or obtained, as applicable, as of the date hereof, (b) receipt of the approval by the Trading Market of the listing of the Shares thereon, (c) the filing of a Notice of Exempt Offering of Securities on Form D with the Commission under the Securities Act, (d) the filing with the Commission of one or more registration statements, and the receipt of a declaration of effectiveness by the Commission in relation to each of those registration statements, in accordance with the requirements of the Registration Rights Agreement, (e) the filing with the Commission of the Amended Proxy Statement and the lapse of ten calendar days after the initial filing of the Proxy Amendment (as defined below) or the confirmation from the Commission that it will not comment on, or that it has no additional comments on, the Proxy Amendment in accordance with Section 7.9, and (f) compliance with the securities laws in the states and other jurisdictions in which the Shares are offered and/or sold hereunder, which, in the case of each of clauses (c) through (f), shall be effected by the Company at such times as required and otherwise in accordance with such laws.

4.9 No Default or Consents. The Company is not in violation of any term of or in default under its Certificate of Incorporation or Bylaws. None of the Company's subsidiaries is in violation or default under its organizational documents. Neither the execution, delivery or performance of this Agreement by the Company nor the consummation of any of the Transactions (including the issuance, sale and delivery by the Company of the Shares) will (a) give rise to a right to terminate or accelerate the due date of any payment due under, or conflict with or result in the breach of any term or provision of, or constitute a default (or an event which with notice or lapse of time or both would constitute a default) under, or require any consent or waiver under, or result in the execution or imposition of any Lien other than Permitted Liens upon any properties or assets of the Company or any of its subsidiaries pursuant to the terms of, (i) any indenture, mortgage, deed of trust or other agreement or instrument that is required by the Exchange Act to be filed as an exhibit or incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, or any Quarterly Report on Form 10-Q or Current Report on Form 8-K filed by the Company with the Commission from January 1, 2017 until the date of the applicable Closing, or (ii) any material franchise, license, permit, or Applicable Law applicable to the Company or any of its subsidiaries (including, assuming the accuracy of the representations and warranties made by the Purchaser herein, federal and state securities laws and regulations and the rules and regulations of any self-regulatory organization to which the Company or its securities is subject), or (b) violate or conflict with any provision of the Certificate of Incorporation or the Bylaws, except in the case of clause (a) as would not cause, either individually or in the aggregate, a Material Adverse Effect, and except for such consents or waivers, which have already been obtained and are in full force and effect.

4.10 No Material Adverse Effect; Absence of Certain Changes. Since December 31, 2017, there have been no events, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect. Except for the Transactions, no event, liability or development has occurred or exists with

respect to the Company, its subsidiaries or their respective businesses, properties, operations or financial conditions that would be required to be disclosed by the Company as of the date of this Agreement under applicable federal securities laws and that has not been publicly disclosed at least one Trading Day before the date of this Agreement. Since the date of the Company's most recent audited financial statements contained in a Form 10-K, the Company has not (i) declared or paid any dividends, (ii) sold any material assets outside of the ordinary course of business or (iii) made any material capital expenditures, individually or in the aggregate, outside of the ordinary course of business. The Company has not taken any steps to seek protection pursuant to any Applicable Law relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does the Company have any Knowledge or reason to believe that any of its creditors intend to initiate involuntary bankruptcy proceedings or any actual Knowledge of any fact which would reasonably lead a creditor to do so.

4.11 No General Solicitation. Neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D promulgated under the Securities Act ("Regulation D")) in connection with the offer or sale of the Shares.

4.12 No Integrated Offering. Neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf, has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of any of the Shares under the Securities Act or cause this offering of the Shares to be integrated with prior offerings by the Company for purposes of the Securities Act or any applicable stockholder approval provisions, including under the rules and interpretations of the Trading Market.

4.13 Sarbanes-Oxley Act. The Company is in material compliance with the requirements of the Sarbanes-Oxley Act of 2002 that are effective and applicable to the Company as of the date of the Closing, and the rules and regulations promulgated by the Commission thereunder that are effective and applicable to the Company as of the date of the Closing.

4.14 Intellectual Property. To the Knowledge of the Company, the Company or one of its subsidiaries collectively owns, possesses, licenses or has rights to use all patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights, licenses, trade secrets, know-how and other similar rights that are necessary or material for use in connection with their respective businesses as currently conducted (collectively, the "Intellectual Property Rights"). Neither the Company nor any of its subsidiaries has received a written notice (i) challenging the ownership, possession or right of use of the Intellectual Property Rights, (ii) suggesting that any other Person has any claim of legal or beneficial ownership with respect to the Intellectual Property Rights, or (iii) alleging that the Intellectual Property Rights used by the Company or any of its subsidiaries, or the conduct of the Company's or any of its subsidiaries' businesses violates, infringes or misappropriates upon the intellectual property rights of any Person. To the Knowledge of the Company, all such Intellectual Property Rights are enforceable and there is no existing violation, infringement or misappropriation by another Person of any of the Intellectual Property Rights as of the date hereof.

4.15 Listing and Maintenance Requirements. The Company has not in the past two years received notice from the Trading Market to the effect that the Company is not in compliance with the listing or maintenance requirements thereof. The Company is in compliance with the listing and maintenance requirements for continued listing of the Common Stock on the Trading Market. The issuance and sale of the Shares pursuant to and in accordance with the terms of this Agreement does not and will not contravene the rules and interpretations of the Trading Market.

4.16 Disclosure. The Company understands and confirms that the Purchaser will rely on the representations, warranties and covenants set forth in this SECTION 4 in effecting the Transactions. To the Knowledge of the Company, all due diligence materials regarding the Company and its business and the Transactions, furnished by or on behalf of the Company to the Purchaser upon its request are, when taken together with the SEC Documents, true and correct in all material respects and do not contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances in which they were made, misleading as of the respective dates such materials are dated; provided, that to the extent any such material contains, is based upon or constitutes a forecast, projection or other forward-looking information, the Company represents only that it acted in good faith and utilized reasonable assumptions and due care in the preparation of such information.

4.17 Company Contracts.

(a) Material Contracts. Each indenture, contract, lease, mortgage, deed of trust, note agreement, loan or other agreement or instrument of a character that is required to be described or summarized in the SEC Documents or to be filed as an exhibit to the SEC Documents under the Exchange Act and the rules and regulations promulgated thereunder (collectively, the "Material Contracts") is so described, summarized or filed.

(b) Valid and Binding Agreements. The Material Contracts have been duly and validly authorized, executed and delivered by the Company or one of its subsidiaries, are in full force and effect and constitute the legal, valid and binding agreements of the Company or its subsidiaries, as applicable, enforceable by and against the Company or its subsidiaries, as applicable, in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to enforcement of creditors' rights generally, and general equitable principles relating to the availability of remedies, except as rights to indemnity or contribution may be limited by federal or state securities laws. The Company and its subsidiaries and, to the Knowledge of the Company, as of the date hereof, each of the counterparties to the Material Contracts, have performed in all material respects all obligations to be performed by them under the Material Contracts and neither the Company nor such applicable subsidiary nor, to the Knowledge of the Company, any other party thereto is (with or without the lapse of time or the giving of notice, or both), in any material respect, in violation of, or in default or breach under, the terms of any such Material Contracts. To the Knowledge of the Company, as of the date hereof, no event has occurred which would give rise to any right of notice, modification, acceleration, payment, cancellation or termination of or by another party under, or in any manner release any party thereto from any material obligation under, any Material Contract and no party

thereto has provided notice to the Company or any of its subsidiaries that it is terminating, or plans to terminate, such Material Contract.

4.18 Properties and Assets. The Company or one of its subsidiaries has good and marketable title to, and is the sole legal and beneficial owner of, all the properties and assets described as owned by it in the latest Financial Statements free and clear of all Liens other than Permitted Liens. The Company and each of its subsidiaries holds its leased properties and facilities under valid, subsisting, enforceable and binding leases. The Company and each of its subsidiaries owns or leases all such properties as are necessary to its operations as now conducted.

4.19 Compliance. Neither the Company nor any of its subsidiaries is, and since the date of the Company's latest filing on Form 10-K neither of them has been, (i) in material violation of, (ii) received notice of any material violation of, (iii) to the Knowledge of the Company, under investigation with respect to a material violation of, or (iv) to the Knowledge of the Company, threatened to be charged with a material violation of, any Applicable Laws, including all Environmental Laws and regulations, of the jurisdictions in which they are conducting business.

4.20 Environmental Matters. Since January 1, 2017, neither the Company nor any of its subsidiaries has, as of the date hereof, received any written request for information from any Governmental Entity pursuant to any Environmental Law or any written notices, demand letters, complaints or penalties from any Governmental Entity or other Person that have not heretofore been resolved with such Governmental Entity or other Person without any material liability for the Company or any of its subsidiaries, indicating that the Company or any of its subsidiaries is in violation of, or liable under, any Environmental Law. There are no actions, suits, investigations, claims or other proceedings pending or, to the Knowledge of the Company, threatened against the Company or any of its subsidiaries before or by any court, regulatory body or administrative agency or any other Governmental Entity that assert a material violation of any Environmental Law by the Company or any of its subsidiaries. To the Knowledge of the Company, neither the Company nor any of its subsidiaries has disposed of, released or transported in material violation of any applicable Environmental Law any Hazardous Materials from any properties owned, leased or operated, or formerly owned, leased or operated by the Company or any of its subsidiaries, and no remediation or investigation regarding any such Hazardous Materials is presently being conducted by the Company or any of its subsidiaries at any property owned, leased or operated, or formerly owned, leased or operated, by the Company or any of its subsidiaries.

4.21 Taxes.

(a) The Company and each of its subsidiaries (i) has filed on a timely basis (giving effect to valid extensions) all required federal, state, local and foreign income, franchise, excise and other material Tax Returns, and each such Tax Return is correct and complete in all material respects, and (ii) has timely paid or withheld and remitted to the appropriate Governmental Entity all material Taxes due and payable.

(b) To the Knowledge of the Company, there is no Tax deficiency that has been or might be asserted or threatened against the Company or any of its subsidiaries that would reasonably be expected to have a Material Adverse Effect.

(c) All Tax liabilities accrued through the date hereof have been adequately provided for on the books of the Company and its subsidiaries in accordance with GAAP, and copies of such books have been made available to Purchaser. Neither the Company nor any of its subsidiaries has ever (i) been a party to any "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4 or (ii) participated in or cooperated with an international boycott within the meaning of Internal Revenue Code Section 999.

4.22 Investment Company. Neither the Company nor any of its subsidiaries is, and upon consummation of the sale of the Shares will not be, an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for an investment company, each within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission promulgated thereunder.

4.23 Insurance. The Company maintains insurance underwritten by insurers of recognized financial responsibility, of the types and in the amounts that the Company reasonably believes is adequate and customary for businesses similar to the businesses in which the Company and its subsidiaries are engaged and of comparable size, including directors' and officers' liability insurance and insurance covering all real and personal property owned or leased by the Company or any of its subsidiaries against theft, damage, destruction, acts of vandalism and all other risks customarily insured against, with such deductibles as are customary for companies in the same or similar business, all of which insurance is in full force and effect. The Company has not been refused any insurance coverage sought or applied for, and to the Knowledge of the Company, it will be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at a cost that would not have a Material Adverse Effect.

4.24 Price of Common Stock. The Company has not (i) taken, directly or indirectly, any action designed to cause or result in, or that has constituted or that might reasonably be expected to constitute, the stabilization or manipulation of the price of the shares of the Common Stock to facilitate the sale or resale of the Shares, or (ii) paid or agreed to pay any Person any compensation for soliciting purchases of any of the Shares.

4.25 Governmental Permits. The Company and each of its subsidiaries has all material franchises, licenses, permits, approvals, certificates and other authorizations ("Permits") from any Governmental Entity that are currently necessary for the operation of the business of the Company or such subsidiary, as applicable, as currently conducted, except where the failure to possess currently such franchises, licenses, permits, certificates and other authorizations is not reasonably expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any written notice regarding any revocation or material modification of any Permit as of the date hereof. The Company and each of its subsidiaries are in compliance, in all material respects, with all terms and conditions of any Permit.

4.26 Internal Control over Financial Reporting; Disclosure Controls. The Company maintains internal control over financial reporting (as such term is defined in paragraph (f) of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act including interpretive guidance issued by the Commission in relation thereto. The Company maintains disclosure controls and procedures (as such term is defined in paragraph (e) of Rule 13a-15 under the Exchange Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the Commission, including controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its chief executive officer and its chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. The Company has not received any notice or correspondence from the Company's certified public accountants or a Governmental Entity relating to any potential material weakness or significant deficiency in any part of the internal controls over financial reporting of the Company. There are no disagreements presently existing, and the Company is not aware of any potential disagreements, between the Company and the accountants presently employed by the Company, where "disagreements" for purposes of this sentence shall mean disagreements of the type described in Item 304(a)(i)(iv) of Regulation S-K promulgated by the Commission.

4.27 Foreign Corrupt Practices; Money Laundering. None of the Company, its subsidiaries or, to the Knowledge of the Company, any director, officer, agent, employee or other Person acting on behalf of the Company or any of its subsidiaries has, in the course of its actions for, or on behalf of, the Company or any of its subsidiaries, directly or indirectly, (a) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (b) made or authorized any unlawful direct or indirect payment or gift of money, property, or services to any foreign or domestic government official or employee, or the holder of or any aspirant to any elective or appointive public office, except for personal political contributions not involving the direct or indirect use of funds of the Company; (c) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (d) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee. The Company and each of its subsidiaries is in compliance with, and has not violated for the past five years, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control.

4.28 Employee Relations. No executive officer (as defined in Rule 501(f) promulgated under the Securities Act) has notified the Company or any its subsidiaries in writing that such executive officer intends to leave the Company or otherwise terminate such executive officer's employment with the Company or its subsidiaries, and to the Knowledge of the Company, no such executive officer plans to leave the Company or otherwise terminate employment with the Company or such subsidiary. To the Knowledge of the Company, no executive officer of the Company or any of its subsidiaries is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-

competition agreement, or any other material agreement or any material restrictive covenant involving or otherwise affecting such executive officer's relationship with the Company or any of its subsidiaries, and the continued employment of each such executive officer does not subject the Company or any of its subsidiaries to any material liability with respect to any of the foregoing matters. Neither the Company nor any of the subsidiaries is a party to any collective bargaining agreement nor does it employ any member of a union and there are no works councils or similar representative bodies within the Company or any of the subsidiaries. The Company and each subsidiary has in relation to each of its current employees, trade unions, works councils and any other bodies representing employees, at all times since January 1, 2017 complied in all material respects with its obligations under Applicable Laws, covenants, collective bargaining agreements, reorganization plans or other rules on the co-determination of employees or their representatives. The Company believes that its relations with its employees are good. The Company and each subsidiary is in compliance in all material respects with its payment obligations to current and former employees and to any relevant governmental or other social security agencies or institutions.

4.29 No "Bad Actor" Disqualification. No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "Disqualification Event") is applicable to the Company or, to the Knowledge of the Company, any Company Covered Person (as defined below), except for a Disqualification Event to which Rule 506(d)(2)(ii-iv) or (d)(3) is applicable. "Company Covered Person" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any person listed in the first paragraph of Rule 506(d)(1).

4.30 Nasdaq Compliance. The Common Stock is registered pursuant to Section 12(b) of the Exchange Act and is listed on The Nasdaq Global Select Market, and the Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from The Nasdaq Global Select Market.

4.31 Relationships with Customers and Suppliers. Neither the Company nor any of the subsidiaries is engaged in any dispute with any of their customers or suppliers and, to the Knowledge of the Company, none of such customers or suppliers intends to terminate or modify its business relations with the Company or its subsidiaries, in each case where the result of such dispute, termination or modification would be reasonably likely to result in a Material Adverse Effect.

4.32 Delaware 203 Waiver. The Board has approved the transactions contemplated by this Agreement, including the purchase of the Shares by the Purchaser pursuant to this Agreement and the covenants of the directors and executive officers of the Company as set for in the Voting Agreements (but excluding any other transactions by or involving the Purchaser with respect to the Corporation's securities), and has declared such approval to be intended to satisfy the requirements of Section 203(a)(1) of the Delaware General Corporation Law. The Company does not have any stockholder rights plans or similar arrangements relating to accumulations of beneficial ownership of shares of Common Stock or a change in control of the Company.

SECTION 5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PURCHASER.

The Purchaser hereby represents and warrants to and covenants with the Company as follows:

5.1 Financial Sophistication; Access to Information. The Purchaser, taking into account the personnel and resources it can practically bring to bear on the purchase of the Shares contemplated hereby, is knowledgeable, sophisticated and experienced in making, and is qualified to make, decisions with respect to investments in securities presenting an investment decision like that involved in the purchase of the Shares, including investments in securities issued by the Company, and has requested, received, reviewed and considered all information the Purchaser knows about and deems relevant (including the SEC Documents) in making an informed decision to purchase the Shares.

5.2 Purchase For Own Account. The Purchaser is acquiring the Shares pursuant to this Agreement for its own account for investment only and with no present intention of distributing any of the Shares or any arrangement or understanding with any other Persons regarding the distribution of the Shares, except in compliance with Section 5.8.

5.3 Corporate Power; Authorization. The Purchaser has all requisite corporate power, and has taken all requisite corporate action, to authorize, execute and deliver this Agreement and each of the other Transaction Documents to which the Purchaser is a party, to consummate the Transactions and to carry out and perform all of the Purchaser's obligations hereunder and thereunder and no consent, or authorization is required by the Purchaser, its board of directors or other governing body to consummate the Transactions. Upon the execution and delivery of this Agreement, this Agreement shall constitute a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally and (b) as limited by equitable principles generally, including any specific performance.

5.4 Registered Broker Dealer. The Purchaser is not a broker or dealer registered pursuant to Section 15 of the Exchange Act and is not an Affiliate of such a broker or dealer. The Purchaser is not party to any agreement for the distribution of any of the Shares.

5.5 Accredited Investor or Qualified Institutional Buyer. The Purchaser is an "accredited investor" within the meaning of Rule 501 of Regulation D or a Qualified Institutional Buyer within the meaning of Rule 144A promulgated under the Securities Act.

5.6 Non-United States Person Status. The Purchaser is not a United States person, as defined by Section 7701(a)(30) of the Code, and is not a U.S. Person as defined in Rule 902(k) of Regulation S promulgated under the Securities Act ("Regulation S"). The Purchaser is not acquiring the Shares for the account or benefit of any U.S. Person (as defined in Rule 902(k) of Regulation S). The Purchaser hereby represents that it has satisfied itself as to the full observance

of the laws of its jurisdiction in connection with any invitation to subscribe for the Shares or any use of this Agreement, including (a) the legal requirements within its jurisdiction for the purchase of the Securities, (b) any foreign exchange restrictions applicable to such purchase, (c) any governmental or other consents that may need to be obtained under applicable securities laws, and (d) the income Tax and other Tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Shares. The Purchaser's subscription and payment for and continued beneficial ownership of the Shares will not violate any applicable securities or other laws of the Purchaser's jurisdiction.

5.7 Disqualification Events. The Purchaser is not subject to any of Disqualification Events described in Rule 506(d)(1)(i) to (viii) under the Securities Act, except for Disqualification Events covered by Rule 506(d)(2)(ii) or (iii) under the Securities Act and disclosed in writing in reasonable detail to the Company.

5.8 Transfer Restrictions. The Purchaser shall not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Shares purchased hereunder except in compliance with the Securities Act, applicable state securities laws, and the rules and regulations promulgated thereunder. Before effecting any such sale, pledge, transfer or other disposition, except for a resale pursuant to an effective registration statement under the Securities Act as contemplated by the Registration Rights Agreement, the Purchaser shall (a) deliver to the Company an opinion of counsel in reasonably acceptable form to the Company to the effect that the Shares to be disposed may be so disposed pursuant to an exemption from registration under the Securities Act and applicable state securities laws, or (b) provide the Company with reasonable assurance that such Shares can be so disposed in accordance with Rule 144.

5.9 Restricted Securities. The Purchaser understands that the Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering, and that under such laws and applicable regulations the Shares may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, the Purchaser represents that it is familiar with Rule 144 and understands the resale limitations imposed thereby and by the Securities Act. The Purchaser further understands that no Governmental Entity has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares, nor has any Governmental Entity passed upon the merits of the offering of the Shares.

5.10 Legends.

(a) The Purchaser understands that, until such time as the Shares have been registered for resale under the Securities Act or sold pursuant to such a registration statement or the Shares may be sold pursuant to Rule 144 without any restriction as to the number of securities that can be immediately sold as of a particular date, any certificates representing the Shares, whether maintained in a book-entry system or otherwise, may bear one or more legends regarding transfer restrictions under the Securities Act in substantially the following form and substance:

"THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION WHICH IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS, AND, IN THE CASE OF A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION, THE HOLDER WILL NOTIFY ANY SUBSEQUENT PURCHASER OF THE SECURITIES EVIDENCED BY THIS CERTIFICATE FROM IT OF SUCH RESALE RESTRICTIONS."

(b) The Purchaser further understands that any certificates representing the Shares, whether maintained in a book-entry system or otherwise, may bear one or more legends regarding certain Regulation S-related restrictions in substantially the following form and substance (with the bracketed dates completed with the twelve-month anniversary of the Closing Date):

"PRIOR TO [_____ __, 201_], THESE SECURITIES MAY NOT BE OFFERED OR SOLD (INCLUDING OPENING A SHORT POSITION IN SUCH SECURITIES) IN THE UNITED STATES OR TO U.S. PERSONS AS DEFINED BY RULE 902(K) ADOPTED UNDER THE SECURITIES ACT, OTHER THAN TO DISTRIBUTORS, UNLESS THE SECURITIES ARE REGISTERED UNDER THE SECURITIES ACT, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE. PURCHASERS OF THESE SECURITIES PRIOR TO [_____ __, 201_], MAY RESELL SUCH SECURITIES ONLY PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR OTHERWISE IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S OF THE SECURITIES ACT, OR IN TRANSACTIONS EFFECTED OUTSIDE OF THE UNITED STATES, PROVIDED THEY DO NOT SOLICIT (AND NO ONE ACTING ON THEIR BEHALF SOLICITS) PURCHASERS IN THE UNITED STATES OR OTHERWISE ENGAGE(S) IN SELLING EFFORTS IN THE UNITED STATES, AND PROVIDED THAT HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. A HOLDER OF THE SECURITIES WHO IS A DISTRIBUTOR, DEALER, SUB-UNDERWRITER OR OTHER SECURITIES PROFESSIONAL, IN ADDITION, CANNOT PRIOR TO [_____ __, 201_,] RESELL THE SECURITIES TO A U.S. PERSON AS DEFINED IN RULE 902(K) OF REGULATION S UNLESS THE SECURITIES ARE REGISTERED UNDER

THE SECURITIES ACT OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT IS AVAILABLE."

(c) The Purchaser further understands that any certificates representing the Shares, whether maintained in a book-entry system or otherwise, may bear one or more legends regarding the status of the Purchaser as an affiliate (within the meaning of Rule 144) of the Company in substantially the following form and substance:

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE HELD BY AN AFFILIATE OF THE ISSUER AS DEFINED IN RULE 144 PROMULGATED UNDER THE SECURITIES ACT AND MAY ONLY BE SOLD OR OTHERWISE TRANSFERRED IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 144 OR PURSUANT TO A REGISTRATION STATEMENT UNDER SUCH ACT OR AN EXEMPTION FROM SUCH REGISTRATION."

(d) The Purchaser further understands that any certificates representing the Shares, whether maintained in a book-entry system or otherwise, may bear any legend required by the securities laws of any state to the extent such laws are applicable to the sale of such Shares hereunder.

(e) Upon Purchaser's request, the Company will cause any legends referred in this Section 5.10 to be removed when such legends are no longer applicable.

5.11 No Other Company Securities; No Short Sales. The Purchaser has not, either directly or indirectly, through an agent or representative, or, to the Purchaser's knowledge, an Affiliate, engaged in any transaction in the securities of the Company, including "short sales" as defined in Rule 200 of Regulation SHO promulgated under the Exchange Act, other than with respect to the transactions contemplated herein, since the time that the Purchaser was first contacted by the Company or any other Person regarding the transactions contemplated hereby until the date hereof. As of the date of this Agreement, and except for rights to acquire the Shares pursuant to this Agreement, the Purchaser does not hold of record or beneficially own any shares of Common Stock or other securities of the Company.

5.12 No Advice. The Purchaser understands that nothing in this Agreement or any other materials presented to the Purchaser in connection with the purchase and sale of the Shares constitutes legal, Tax or investment advice. The Purchaser has consulted such legal, Tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Shares.

SECTION 6. NO BROKER FEES.

Each of the Company and the Purchaser hereby represents that there are no brokers or finders retained by, or otherwise acting on behalf of, it or any of its Affiliates and entitled to compensation in connection with the sale of the Shares, and shall indemnify the other party hereto for any such compensation that such other party actually pays to any such broker or finder.

SECTION 7. ADDITIONAL COVENANTS.

7.1 Reasonable Efforts. The Purchaser shall use its commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 3.2 and to consummate the Transactions. The Company shall use its commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 3.2 and to consummate the Transactions.

7.2 Conduct of Business. Except (i) with the prior written consent of the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), (ii) as expressly contemplated by this Agreement, or (iii) as required by Applicable Law, from the date of this Agreement until the Closing Date, the Company shall, and shall cause each of its subsidiaries to, conduct its and their businesses in the ordinary course consistent with past practice and, to the extent consistent therewith, use its commercially reasonable efforts to preserve intact in all material respects its current business organization and relationships with third parties and to keep available the services of its present executive officers and key employees. The Company shall not, and shall cause its subsidiaries not to, take any action that would adversely affect or delay in any material respect the consummation of the Transactions. Without limiting the generality of the foregoing, from the date of this Agreement until the Closing Date, except (A) with the prior written consent of the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), or (B) as expressly contemplated by this Agreement, the Company shall not, and shall cause each of its subsidiaries not to:

(a) amend the Certificate of Incorporation, Bylaws or other similar organizational documents of the Company or any of its subsidiaries;

(b) (i) except as set forth in the Proxy Amendment or the Amended Proxy Statement (each as defined below) split, combine or reclassify any shares of its capital stock, or (ii) declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of its capital stock;

(c) adopt a plan or agreement of complete or partial liquidation, dissolution, or restructuring of the Company or its subsidiaries;

(d) take, directly or indirectly, any action designed to cause or result in, or that has constituted or that might reasonably be expected to constitute, the stabilization or manipulation of the price of the shares of the Common Stock; or

(e) agree, resolve, promise or commit to do any of the foregoing.

7.3 Public Announcements. No press release or, except to the extent required by Applicable Law, other public announcement shall be made, directly or indirectly, by either party hereto concerning the execution of this Agreement, the terms and conditions hereof or the consummation of the Transactions, in each case without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld, conditioned or delayed.

7.4 Form D; State Securities Laws. The Company shall file a Form D with respect to the Shares as required under Regulation D. The Company shall take such action as the Company reasonably determines is necessary in order to obtain an exemption from, or to qualify the Shares for, sale to the Purchaser at the Closing pursuant to this Agreement under applicable securities laws of the states of the United States, and shall provide evidence of such actions promptly upon the written request of the Purchaser.

7.5 Trading Market. The Company shall notify the Trading Market of the proposed listing of the Shares. As soon as reasonably practicable following the Closing, the Company shall take any actions necessary to ensure the Shares are listed on the Trading Market.

7.6 Transfer Taxes. On the Closing Date, all stock transfer or other similar Taxes (other than income Taxes) that are required to be paid in connection with the issuance, sale and delivery to the Purchaser hereunder of the Shares at the Closing shall be fully paid or provided for by the Company and all laws imposing such Taxes shall have been fully complied with and the Purchaser and its Affiliates shall have no obligation therefor.

7.7 Board Matters.

(a) Purchaser Designees. Subject to compliance with the Company's governing documents and all applicable laws, rules, regulations and policies (including the rules of the Trading Market and, by way of clarification and not limitation Nasdaq Listing Rule 5640 and Nasdaq's interpretive guidance with respect thereto), in each case as then in effect, from and after the Closing, Purchaser shall be entitled to designate two individuals for election or appointment to the Board; provided, however, that if and as the Purchaser's voting power reduces subsequent to the Closing, whether as a result of sales or other dispositions of the Company's securities by the Purchaser, additional issuances of securities by the Company or otherwise, the Purchaser's designation rights as set forth in this Section 7.7(a) shall decrease to the right to designate one individual if and when the Purchaser's voting power is less than 16.7% but 10% or more, and shall terminate if the Purchaser's voting power is less than 10%, of the overall votes then entitled to be cast in an election of directors by the stockholders of the Company; provided further, however that in no event shall the Purchaser be entitled to designate for election or appointment to the Board a number of directors, rounded up to the next whole number, in excess of the product of (i) the total number of directors then on the Board, and (ii) the voting power then held by the Purchaser, expressed as a percentage of the overall votes then entitled to be cast in an election of directors by the stockholders of the Company; provided further, however, that any individual designated by the Purchaser shall (a) be capable of being elected or appointed to the Board without violation of, and not have failed to comply with, any applicable law, rule or regulation and the requirements of any federal, state, local or other court, self-regulatory body or other Governmental Entity, including the Commission, the Trading Market and any regulatory authority with jurisdiction over the Company or its activities, (b) not have engaged in acts or omissions constituting a breach of the such individual's fiduciary duties to the Company and its stockholders, (c) not have engaged in acts or omissions that involve an intentional violation of law and that are felonies or violations of law involving moral turpitude, and (d) not have engaged in any transaction involving the Company during the term of such individual's membership on the Board from which such individual derived an improper personal

benefit that was not disclosed to the Board prior to the authorization of such transaction if such disclosure is required pursuant to applicable laws, rules or regulations, the Company's governing documents or the Company's corporate governance policies, in each case as determined by the Board reasonably and in good faith after consultation with outside legal counsel (any noncompliance with the foregoing clauses (a), (b), (c) or (d), a "Disqualification"). The individuals designated by the Purchaser pursuant to and in accordance with this Section 7.7(a) shall be referred to herein as the "Purchaser Designees." Upon the Purchaser's selection and written notification to the Company of the Purchaser Designees, the Company and the Board shall be entitled to conduct such due diligence regarding such Purchaser Designees as the Board reasonably determines is necessary to confirm the absence of a Disqualification, and thereafter the Board, subject to the exercise of the Board's fiduciary duties under applicable Delaware law, shall promptly appoint the Purchaser Designees as directors on the Board.

(b) The Board shall, subject to the exercise of the Board's fiduciary duties under applicable Delaware law and compliance, in the Board's discretion, with all Exchange Act rules and rules of the Trading Market applicable to board committee membership (provided that the Purchaser Designees shall not be required to be independent directors under the Trading Market rules solely for purposes of membership on the Board), concurrently with or promptly after the Purchaser Designees' appointment to the Board in accordance with Section 7.7(a), appoint one of the Purchaser Designees, as notified by Purchaser to the Company, as a member of the audit committee of the Board (the "Audit Committee") and any special committee of the Board formed from time to time, to the extent such special committee is formed for the purpose of making decisions that, as determined in good faith by the Board in its reasonable discretion, are strategically significant to the Company (a "Special Committee," and together with the Audit Committee, the "Board Committees"). If the applicable Purchaser Designee appointed to a Board Committee does not comply with, or ceases to satisfy, the Exchange Act rules or the rules of the Trading Market applicable to membership of the Board Committees, or to the extent (i) such Purchase Designee is subject to a conflict of interest with regard to a particular subject matter or transaction, as reasonably determined in good faith by the Board, or (ii) access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel, the Board shall be entitled to exclude such Purchaser Designee from the applicable Board Committee or any meeting or portion thereof and, with respect to exclusion from a Board Committee, the Purchaser shall be given an opportunity to replace such Purchaser Designee with a new Purchaser Designee that, as determined in good faith by the Board in its reasonable discretion, does satisfy such requirements, or, as an alternative, the Purchaser shall be entitled to nominate a representative (the "Committee Observer"), who shall be an individual, not an entity, as an observer of the respective Board Committee from which the Purchaser Designee was excluded (the "Affected Board Committee"). The Affected Board Committee shall invite the Committee Observer to attend all meetings of the Affected Board Committee in a nonvoting observer capacity and, in this respect, will give the Committee Observer copies of all notices, minutes, consents and other materials that it provides to its committee members; provided, however, that the Committee Observer will agree to hold in confidence and trust all information so provided; and, provided further, that the Company reserves the right to withhold any information and to exclude such Committee Observer from any meeting or portion thereof to the extent (i) such Committee Observer is subject to a conflict of interest with regard to a particular subject matter or transaction, as reasonably determined by the

Board, or (ii) access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel. Any Committee Observer will be required to enter into a customary confidentiality agreement with the Company before attending any meeting of any Board Committee. Purchaser may at any time, upon written notice to the Company, remove the Committee Observer from his or her position as an observer of the Affected Board Committee and, if Purchaser remains entitled to designate the Purchaser Designees (or any of them) pursuant to Section 7.7(a), replace him or her by another individual who shall upon such replacement be the "Committee Observer" hereunder. Purchaser shall provide the Company with the name, address and any other relevant information relating to the replacement Committee Observer reasonably requested by the Company.

(c) Substitute Designee. If any of the Purchaser Designees ceases to be a member of the Board or any Board Committee for any reason, and if the Purchaser remains entitled to designate the Purchaser Designees (or one of them) pursuant to Section 7.7(a), the Purchaser shall be entitled to designate another individual who has not been subject to a Disqualification (a "Substitute Designee") to serve as a director, and/or member of the applicable Board Committee(s), as the case may be, in place of such Purchaser Designee, and, following written notification of such Substitute Designee by the Purchaser and subject to the Board's reasonable due diligence rights and fiduciary duties as set forth in Section 7.7(a) and compliance with applicable Exchange Act and Trading Market Rules as forth in Section 7.7(b), the Board shall promptly appoint the Substitute Designee as a director on the Board and/or a member of the applicable Board Committee(s), as the case may be. Upon becoming a member of the Board and/or a member of the applicable Board Committee(s), as the case may be, the Substitute Designee shall succeed to all of the rights, privileges and required qualifications and obligations under this Agreement of a Purchaser Designee being replaced, and shall be considered a "Purchaser Designee" hereunder for all purposes from and after the date of the Substitute Designee's appointment or election.

(d) Resignations. Upon termination of the Purchaser's designation rights pursuant to Section 7.7(a), the Purchaser shall promptly cause each of the Purchaser Designees to offer to resign from the Board and the Board Committees, subject to the right of the Board to accept or reject such resignation offers. In addition, subject to Purchaser's rights to nominate a Substitute Designee pursuant to Section 7.7(c), Purchaser shall cause a Purchaser Designee to resign from the Board and the Board committees on which such Purchaser Designee serves if such Purchaser Designee, as determined reasonably by the Board in good faith after consultation with outside legal counsel, becomes subject to a Disqualification, or if the Board otherwise determines such resignation is necessary to comply with the Board's fiduciary duties under applicable Delaware law.

(e) Removal. For so long as the Purchaser remains entitled to the election or appointment of the Purchaser Designees (or one of them) pursuant to Section 7.7(a), without the prior written consent of the Purchaser, the Board shall not take any action to remove or cause the replacement of a Purchaser Designee, unless the Board determines reasonably and in good faith after consultation with outside legal counsel that such Purchaser Designee has become subject to a Disqualification or if the Board otherwise determines such removal or replacement is necessary to comply with the Board's fiduciary duties under applicable Delaware law.

(f) Compensation, Rights and Obligations. The Purchaser Designees shall be (i) compensated for their service as directors and shall be reimbursed for their expenses on the same basis as all other non-employee directors of the Company, and (ii) entitled to the same rights of indemnification and directors' and officers' liability insurance coverage as the other non-employee directors of the Company as such rights may exist from time to time, including execution and delivery of an indemnification agreement with the Company in substantially the same form as other non-employee directors of the Company, and (iii) subject to, and bound to comply with, the same Company policies, guidelines and programs and legal and other obligations as the other non-employee directors of the Company.

(g) Confidentiality. The Purchaser shall, and shall cause its Affiliates to, maintain the confidentiality of all material nonpublic information of the Company disclosed to any of them by or on behalf of the Purchaser Designees in their capacity as members of the Board; provided that such confidentiality obligation shall not apply to information that: (i) is or becomes generally available to the public through no fault of the Purchaser or its representatives; (ii) the Purchaser can demonstrate was within the possession of the Purchaser or its Affiliates before it being furnished to the Purchaser or its Affiliates by or on behalf of any of the Purchaser Designees (excluding all information provided by the Company to the Purchaser prior to the date hereof or in connection with the negotiation of definitive agreements contemplated by the Credit Support Letter of Intent or, if such definitive agreements are executed and delivered, in connection with the performance thereunder); (iii) becomes available to the Purchaser or its Affiliates on a non-confidential basis from a source other than a Purchaser Designee without such source having breached a duty of confidentiality towards the Company. The Purchaser Designees shall comply with the insider trading policies of the Company applicable to directors, including trading pre-clearance requirements and trading blackout periods as may be in effect from time to time. In addition, the Purchaser hereby acknowledges that it is aware that United States securities laws prohibit any person who has received from an issuer material nonpublic information concerning the issuer from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell the securities of such issuer, make investment recommendations based on such material nonpublic information or otherwise affect the trading price of such issuer's securities.

7.8 Standstill. Without the prior approval of at least a majority of the Board (excluding the Purchaser Designees), from the date hereof until the later of (a) the second anniversary of the date of this Agreement, and (b) the date on which the Purchaser ceases to hold more than 5% of the Company's then outstanding Common Stock, the Purchaser shall not, and shall cause each of its Affiliates not to, directly or indirectly: (i) make, or in any way become a "participant" in, any "solicitation" of "proxies" (as such terms are defined in Regulation 14A promulgated under the Exchange Act) to vote, or seek to advise or influence any Person with respect to the voting of, any equity securities of the Company, including relating to the election of directors of the Company (except that neither the Purchaser nor its Affiliates shall be deemed to be a participant in such a solicitation merely by reason of the membership of the Purchaser Designees on the Board pursuant to the terms of this Agreement or the voting of the Shares by Purchaser in any manner that Purchaser determines); (ii) grant any proxies with respect to any equity securities of the Company to any Person (other than Purchaser's Affiliates) to vote such securities for or on behalf of the Purchaser

(except as recommended by the Board); (iii) seek additional representation on the Board (in addition to that provided for in Section 7.7 of this Agreement) or seek the removal of any member of the Board that is not a Purchaser Designee or a change in the composition or size of the Board (except as provided in Section 7.7); (iv) make any public announcement with respect to, or submit a proposal for or offer of, or otherwise effect or seek to effect, any transaction which would result in the Purchaser beneficially owning more than 30% of the Company's equity securities or all or substantially all of the Company's assets or debt (whether by merger, consolidation, business combination, tender or exchange offer, recapitalization, restructuring, sale, liquidation, dissolution, equity issuance or other extraordinary transaction); (v) other than with respect to the Voting Agreement, form, join or in any way participate in a "group" (as defined in Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder) or enter into any arrangements or agreements (whether written or oral), in each case in connection with any of the foregoing; or (vi) request the Company to, directly or indirectly, amend or waive any provision of this Section 7.8 other than through non-public communications with the Company, including the Board, that would not be reasonably determined to trigger public disclosure obligations for any party; provided, however, that the restrictions set forth in this Section 7.8 shall terminate and be of no further force and effect at such time as the Company enters into or publicly announces that it plans to enter into a definitive agreement with respect to a transaction involving all or a controlling portion of the Company's equity securities or all or substantially all of the Company's assets or debt (whether by merger, consolidation, business combination, tender or exchange offer, recapitalization, restructuring, sale, liquidation, dissolution, equity issuance or other extraordinary transaction), in each case with a Person other than the Purchaser or any of its Affiliates.

7.9 Amendment of Proxy Statement; Stockholder Meeting.

(a) As soon as reasonably practicable, and in any event within five Trading Days, following the date of this Agreement, the Company, at the direction of the Board, shall prepare and file with the Commission an amendment or supplement to the Company's definitive proxy statement on Schedule 14A promulgated under the Exchange Act filed with the Commission on April 18, 2018 for its 2018 annual meeting of stockholders (the "Proxy Amendment," and the proxy statement as so amended, the "Amended Proxy Statement"). The Proxy Amendment shall provide that (i) the Company's 2018 annual stockholder meeting (as it may be adjourned or postponed, the "Stockholder Meeting") that was announced in the Proxy Statement to be held on May 30, 2018 be postponed, at the direction of the Board and in accordance with Applicable Law, the Certificate of Incorporation, and Bylaws, to June 8, 2018, and (ii) the Company solicits from each holder of shares of Common Stock entitled to vote at the Stockholder Meeting (the "Stockholders") such Stockholder's affirmative vote on one or more proposals that, if approved by the Stockholders in accordance with the Company's governing documents and, if applicable, Nasdaq rules would result in Approval having been obtained as of the date of such Stockholder approval (collectively, the "Proxy Proposal"). The Board shall recommend that the Stockholders vote in favor of the Approval and approve the Proxy Proposal (the "Stockholder Vote Recommendation") and shall cause the Stockholder Vote Recommendation to be included in the Amended Proxy Statement. Unless this Agreement has been terminated pursuant to Section 8.1 or pursuant to the Board's exercise of its fiduciary duties, as a result of an Intervening Event arising after the date hereof and before the Stockholder Meeting commences, the Board determines in good faith, after consulting with outside

legal counsel, that the failure to withdraw, modify or qualify the Stockholder Vote Recommendation would constitute a breach of its fiduciary duties, the Board shall not (i) withdraw, modify or qualify the Stockholder Vote Recommendation in any manner or publicly propose to do so or (ii) take any other actions that will, or could reasonably be expected to, impede, interfere with, delay, discourage, or adversely affect the Stockholder Vote Recommendation or the obtainment of the Approval. For the purposes of this Section 7.9, "Intervening Event" means any material change, event, development, condition, occurrence, or effect occurring or arising after the date hereof that was not known to, nor reasonably foreseeable by, the Board, as of or prior to the date hereof; provided, however, that in no event shall any change in the price, or change in trading volume, of the Common Stock constitute an Intervening Event.

(b) Subject to Applicable Law, the Company shall cause the Amended Proxy Statement to be disseminated to the Stockholders as promptly as practicable, and in any event within five Trading Days following the earlier to occur of (i) the 10th calendar day after the filing of the Proxy Amendment with the Commission if the Commission or its staff has not indicated that it will review the Proxy Amendment, and (ii) confirmation from the Commission that it will not comment on, or that it has no additional comments on, the Proxy Amendment.

(c) The Amended Proxy Statement shall include the notice of meeting in the form required by the Delaware General Corporation Law. The Purchaser shall promptly furnish to the Company all information concerning the Purchaser that may be required by Applicable Law or reasonably requested by the Company for inclusion in the Amended Proxy Statement. The Company shall cause the Amended Proxy Statement to comply in all material respects with all applicable requirements of the Exchange Act, including Regulation 14A under the Exchange Act, and the rules of the Commission and the Trading Market. The Company represents that the information in the Amended Proxy Statement (excluding any information supplied in writing to the Company by or on behalf of Purchaser specifically for inclusion therein) is true, complete and accurate in all material respects. Purchaser represents that the information in the Amended Proxy Statement that was supplied in writing by it to the Company specifically for inclusion therein is true, complete and accurate in all material respects. The Company agrees to use its commercially reasonable efforts to respond promptly to any comments of the Commission or its staff with respect to the Proxy Amendment, and each of the Company and Purchaser agrees to promptly correct any information provided by it for use in the Amended Proxy Statement to the extent required by Applicable Law. If and to the extent any such comments of the Commission or correction of information included in the Amended Proxy Statement requires, under Applicable Law, a further amendment or supplement to the Amended Proxy Statement, then the Company shall use its commercially reasonable efforts to take all steps necessary to amend or supplement the Amended Proxy Statement as so required and to cause the Amended Proxy Statement, as so amended or supplemented, to be filed with the Commission and to be disseminated to the Stockholders.

(d) The Purchaser and its counsel shall be given reasonable opportunity to review and comment on the Proxy Proposal and, to the extent it relates to information about the Purchaser or its Affiliates, the Amended Proxy Statement before they are filed with the Commission. The Company shall advise Purchaser, promptly after it receives notice thereof, of any receipt of (i) a request by the Commission or its staff for an amendment or revisions to the Amended Proxy

Statement, or additional information in connection therewith, or (ii) comments from the Commission or its staff on the Amended Proxy Statement, and shall promptly provide Purchaser with copies of all written correspondence between the Company and its representatives, on the one hand, and the Commission or the staff thereof, on the other hand, with respect to the Proxy Proposal included in the Amended Proxy Statement, and as promptly as practicable provide Purchaser with a reasonably detailed description of any oral comments received from the Commission or its staff in connection therewith. The Company also shall provide Purchaser with copies of any written or oral comments or responses to be submitted by the Company in response to any comments or inquiries from the Commission or its staff related to the Proxy Proposal, and shall provide Purchaser a reasonable opportunity to participate in the formulation of any response to any such comments of the Commission or its staff. The Company shall use its reasonable best efforts to resolve all comments by the Commission with respect to the Amended Proxy Statement as promptly as practicable.

7.10 Compliance with Anti-Corruption Laws and Ethical Compliance.

(a) Each of the parties hereto agrees and undertakes to the other that in connection with this Agreement, they will each respectively comply with all Applicable Laws relating to fighting against terrorism, anti-bribery and anti-money laundering, including the Anti-Corruption Undertakings set forth in Exhibit E hereto.

(b) The Company will comply with its existing Anti-Corruption Policy dated as of May 23, 2017 (the "Compliance Policy") in all activities associated with this Agreement. Purchaser will comply with the Total Code of Conduct in all activities associated with this Agreement. The parties declare that prior to entering into this Agreement they have adequately acquainted themselves to each other's Compliance Policy or Code of Conduct, respectively, and each party hereto respects and acknowledges the same.

(c) Each party hereto shall perform this Agreement in compliance with the International Economic Sanctions applicable to it. Neither party shall be obliged to perform any obligations otherwise required by the Agreement if and to the extent such performance would be in violation of, inconsistent with, or expose such Party to punitive measures under, Applicable Laws applicable to it relating to International Economic Sanctions. Any party shall be entitled, without incurring any liability, to terminate this Agreement with immediate effect if the performance of this Agreement is in any way restricted or prohibited by International Economic Sanctions applicable to it.

7.11 Review of Company Compliance Policy. After the date of this Agreement, (i) Purchaser may provide the Company with comments to the Company Compliance Policy in order for such policy to comply with Applicable Laws in the European Union, (ii) the Company will consider and discuss such changes in good faith and (iii) as soon as reasonably practicable after conclusion of such good faith discussions, the Company will implement any changes to the Company Compliance Policy as mutually agreed upon.

SECTION 8. MISCELLANEOUS.

8.1 Termination.

(a) This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time prior to the Closing:

(1) by mutual written agreement of the parties hereto;

(2) by either the Purchaser or the Company:

(i) if any Governmental Entity of competent jurisdiction shall have enacted, issued or entered any restraining order, injunction or similar order or legal restraint or prohibition which remains in effect that enjoins or otherwise prohibits the consummation of the proposed Transactions, including the sale and issuance of the Shares, and such order, injunction, legal restraint or prohibition shall have become final and non-appealable;

(ii) if the Company's stockholders shall not have approved the purchase of the Shares by Purchaser on a duly convened stockholder meeting by June 30, 2018; or

(iii) if the Closing shall not have occurred by July 31, 2018 (the "End Date"), provided that the party intending to terminate pursuant to this clause shall not have breached in any material respect its obligations under this Agreement in any manner that shall have been the primary cause of the failure of the Closing to occur on or before the End Date; or

(3) by the Purchaser:

(i) if a failure to perform in any material respect any covenant or agreement of the Company set forth in this Agreement shall have occurred and such failure to perform would cause any of the conditions set forth in Section 3.2 not to be satisfied, and such failure to perform either cannot be cured or, if curable, has not been cured prior to the earlier of (A) the 30th calendar day following receipt by the Company of written notice of such breach or failure to perform from the Purchaser and (B) the calendar day immediately prior to the End Date;

(ii) if a Material Adverse Effect occurs.

(4) By the Company if a failure to perform in any material respect any covenant or agreement of the Purchaser set forth in this Agreement shall have occurred and such failure to perform would cause any of the conditions set forth in Section 3.2 not to be satisfied, and such failure to perform either cannot be cured or, if curable, has not been cured prior to the earlier of (A) the 30th calendar day following receipt by the Purchaser of written notice of such breach or failure to perform from the Company and (B) the calendar day immediately prior to the End Date.

(b) Notice of Termination. Any party hereto terminating this Agreement pursuant to Section 8.1(a) or Section 7.10 shall give written notice of such termination to the other

party in accordance with this Agreement, specifying the provision or provisions hereof pursuant to which such termination is being effected.

(c) Effect of Termination. In the event of the termination of this Agreement pursuant to Section 8.1(a) or Section 7.10, this Agreement shall cease to have any effect.

8.2 Notices. All notices, requests, consents and other communications hereunder shall be in writing, shall be sent by confirmed electronic mail or mailed by first-class registered or certified airmail or nationally recognized overnight express courier, postage prepaid, shall be deemed given when so sent in the case of electronic mail transmission, or when so received in the case of mail or courier, and shall be addressed as follows:

(a) if to the Company, to:

Clean Energy Fuels Corp.
4675 MacArthur Court, Suite 800
Newport Beach, CA, U.S.A. 92660
Attn: J. Nathan Jensen, Sr. Vice President Corporate Transactions and Chief Legal Officer
Email: Nate.Jensen@cleanenergyfuels.com

with a copy to (which shall not constitute notice):

Morrison & Foerster LLP
12531 High Bluff Drive, Suite 100
San Diego, CA, U.S.A. 92130
Attn: Steven G. Rowles, Esq.
Email: SRowles@mofo.com

or to such other Person at such other place as the Company shall designate to the Purchaser in writing; and

(b) if to the Purchaser, to:

Total Marketing Services SA
24 Cours Michelet La Défense 10
92800 Puteaux France.
Attention: Patrice Yermia, General Counsel Marketing and Services Branch
Email: patrice.yermia@total.com

with copies to (which shall not constitute notice):

Jones Day
3161 Michelson Drive
Irvine, CA 92612-4412
Attention: Jonn R. Beeson, Esq.
E-mail: jbeeson@jonesday.com

and

Jones Day
2, rue Saint-Florentin
75001 Paris, France
Attention: Linda A. Hesse, Esq.
E-mail: lhesse@jonesday.com

or to such other Person at such other place as the Purchaser shall designate to the Company in writing.

8.3 Further Actions. Each party hereto shall promptly execute, acknowledge, and deliver such further instruments, and do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

8.4 Headings; Interpretation. The headings of the various Sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be part of this Agreement. The terms "hereof," "herein," "hereby" and derivative or similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. Except when used together with the word "either" or otherwise for the purpose of identifying mutually exclusive alternatives, the term "or" has the inclusive meaning represented by the phrase "and/or." All references in this Agreement to "dollars" or "$" shall mean United States dollars. Except where the context otherwise requires, wherever used the singular shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders. The term "including" or "includes" means "including without limitation" or "includes without limitation."

8.5 Entire Agreement. This Agreement and the other Transaction Documents, including any exhibits or schedules hereto or thereto, constitute the full and entire understanding and agreement between the parties hereto with respect to the subject matter hereof and thereof, and any other written or oral agreement relating to the subject matter hereof or thereof existing between the parties hereto is hereby expressly canceled.

8.6 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

8.7 Governing Law. This Agreement shall be governed by the substantive laws of the State of Delaware, U.S.A., without regard to its or any other jurisdiction's choice of law rules.

8.8 Jurisdiction.

(a) Any action or proceeding against any party hereto relating in any way to this Agreement or the transactions contemplated hereby may be brought and enforced in the Delaware Court of Chancery or, if the Delaware Court of Chancery does not have or refuses jurisdiction, any other competent court of the State of Delaware or a competent federal court of the United States sitting in the State of Delaware, and not any court in any other state or federal court in the United States of America or any court in any other country, and each party, on behalf of itself and its respective successors and assigns, irrevocably consents to the jurisdiction of each such court in respect of any such action or proceeding. Each party hereto, on behalf of itself and its respective successors and assigns, 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, return receipt requested, to such Person at the address for such Person set forth in Section 8.2 hereof or such other address such Person shall notify the other party in writing. The foregoing shall not limit the right of any Person to serve process in any other manner permitted by Applicable Law or to bring any action or proceeding, or to obtain execution of any judgment in any other jurisdiction.

(b) Each party, on behalf of itself and its respective successors and assigns, hereby irrevocably waives any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising under or relating to this Agreement or the transactions contemplated hereby in the Delaware Court of Chancery or any other competent court of the State of Delaware or a competent federal court of the United States sitting in the State of Delaware. Each party, on behalf of itself and its respective successors and assigns, hereby irrevocably waives any claim that a court located in the State of California is not a convenient forum for any such action or proceeding.

(c) Each party, on behalf of itself and its respective successors and assigns, hereby irrevocably waives, to the fullest extent permitted by applicable United States federal and state law, all immunity from jurisdiction, service of process, attachment (both before and after judgment) and execution to which such party may otherwise be entitled in any action or proceeding relating in any way to this Agreement or the transactions contemplated hereby in the courts of the State of California, of the United States or of any other country or jurisdiction, and hereby waives any right he might otherwise have to raise or claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

8.9 Waiver of Jury Trial. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE REGISTRABLE SECURITIES OR THE SUBJECT MATTER HEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS (INCLUDING

NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

8.10 Counterparts. This Agreement may be executed in counterparts, each of which when executed shall constitute an original, but all of which, when taken together, shall constitute one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other party. Counterparts may be delivered by facsimile or electronic delivery in Adobe Portable Document Format or other electronic format based on common standards, including any electronic signature complying with the U.S. federal ESIGN Act of 2000, and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

8.11 Amendments and Waivers. Neither this Agreement nor any provision hereof may be changed, waived, discharged, terminated, modified or amended except upon the written consent of the Company and the Purchaser in the case of any change, discharge, termination or modification, or of the party hereto against whom the waiver is to be effective, in the case of a waiver.

8.12 Successors and Assigns. Except as otherwise provided herein, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of each of the parties hereto. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Purchaser. The Purchaser may assign its rights under this Agreement to any Affiliate of the Purchaser that acquires any Shares hereunder as a designee or to whom the Purchaser assigns or transfers any Shares; provided that such designee or Affiliate-transferee agrees in writing to be bound, with respect to the transferred Shares, by the provisions hereof that apply to the "Purchaser."

8.13 Survival. The representations and warranties contained herein shall survive the Closing and the issuance and delivery of the Shares for a period of one (1) year after the date hereof; provided, however, that notwithstanding the foregoing in this Section 8.13, the representations and warranties contained in Section 4.1, Section 4.2, and Section 4.3, the first two sentences of Section 4.4, Section 4.5, Section 4.8, the first sentence of Section 4.9, Section 4.9(a)(ii), Section 4.15, Section 4.21, Section 5.3, and SECTION 6 shall survive until the expiration of the applicable statute of limitations. Except as otherwise expressly provided in this Agreement, the agreements and covenants contained in this Agreement shall survive for the applicable statute of limitations or, if earlier, in accordance with their terms.

8.14 Acknowledgements by the Company. The Company acknowledges and agrees that:

(a) Purchaser is acting solely in the capacity of an arm's length purchaser with respect to this Agreement, all other Transaction Documents and the Transactions and that, prior to

the Closing, Purchaser is not (a) an officer or director of the Company, (b) an "affiliate" (as defined in Rule 144) of the Company, or (c) to the Company's Knowledge, a "beneficial owner" of more than 10% of the shares of Common Stock (as defined for purposes of Rule 13d-3 of the Exchange Act).

(b) Purchaser is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement, all other Transaction Documents and the Transactions, and any advice given by Purchaser or any of its representatives or agents in connection with this Agreement, all other Transaction Documents and the Transactions is merely incidental to Purchaser's purchase of the Shares.

8.15 No Third-Party Beneficiaries. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement, express or implied, is intended to confer on any Person other than the parties hereto any rights, remedies, obligations or liabilities under or by reason of this Agreement, and no Person that is not a party hereto shall have any standing as a third-party beneficiary with respect to this Agreement or the transactions contemplated hereby.

8.16 Payment of Fees and Expenses. Except as otherwise provided herein or in the other documents or instruments contemplated hereby, each of the Company and the Purchaser shall bear its own expenses and legal fees incurred by it or on its behalf with respect to this Agreement and the transactions contemplated hereby.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

COMPANY:

CLEAN ENERGY FUELS CORP.

By: /s/ Andrew J. Littlefair
Name: Andrew J. Littlefair
Title: President & Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

PURCHASER:

TOTAL MARKETING SERVICES S.A.

By: /s/ Philippe Montanteme

Name: Philippe Montanteme

Title: Vice-President Strategy Marketing & Research

CLEAN ENERGY FUELS CORP.

VOTING AGREEMENT

THIS VOTING AGREEMENT ("Agreement") is made as of May 9, 2018, by and among Clean Energy Fuels Corp., a Delaware corporation (the "Company"), Total Marketing Services S.A., a company incorporated and registered in France (Company Number 542 034 921) ("Purchaser"), and those certain stockholders of the Company set forth on Exhibit A hereto (each, a "Stockholder" and collectively, the "Stockholders"). For purposes of this Agreement, capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, Purchaser is agreeing to purchase from the Company 50,856,296 shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") pursuant to a Stock Purchase Agreement, dated as of the date hereof, between the Company and Purchaser (the "Purchase Agreement");

WHEREAS, as of April 10, 2018, the Stockholders beneficially (as such term is defined in Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder) own 20,715,576 shares of Common Stock in the aggregate (the "Stockholders Shares"), representing as of such date beneficial ownership of approximately 13.2% of the Common Stock (calculated in accordance with Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder); and

WHEREAS, the Company and the Stockholders desire to enter into this Agreement in order to induce Purchaser to purchase the Shares pursuant to the Purchase Agreement.

NOW THEREFORE, in consideration of the foregoing and of the promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1.Agreement to Vote; Irrevocable Proxy and Power of Attorney.

(a) Each Stockholder, as of April 10, 2018, owns the number of Stockholders Shares set forth opposite such Stockholder's name on Exhibit A hereto and each Stockholder has the legal right to vote thereon whether at an annual or special meeting of the Company's stockholders or by written consent.

(b) During the term of this Agreement and to the extent each Stockholder is entitled under the Company's organizational documents to vote on such matters, such Stockholder hereby

agrees to vote all shares of Common Stock and all other securities of the Company that may vote in the election of the Company's directors that such Stockholder owns or controls from time to time (hereinafter referred to as the "Voting Shares") (i) in favor of the election or appointment of the Purchaser Designees to the Board in accordance with Section 7.7 of the Purchase Agreement, (ii) in favor of the Approval in accordance with the Proxy Proposal set forth in Section 7.9 of the Purchase Agreement, and (iii) otherwise in accordance with the provisions of this Agreement, in each case of sub-clauses (i) through (iii), whether at an annual or special meeting of stockholders or any class or series of stockholders or by written consent. Each Stockholder agrees that all shares of Common Stock that such Stockholder purchases, acquires the right to vote on or otherwise acquires beneficial ownership (as such term is defined in Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder) of, after the execution of this Agreement, shall be subject to the terms of this Agreement and shall constitute Voting Shares for all purposes of this Agreement, but excluding, to the extent applicable, shares of Common Stock underlying unexercised stock options, restricted stock units, or convertible notes.

(c) Each Stockholder agrees to vote to amend the Company's Amended and Restated Certificate of Incorporation, as amended, and/or the Bylaws, as amended, as required to effect the intent of this Agreement.

(d) Each Stockholder and the Company will not take any actions that will, or would reasonably be expected to, (i) impede, interfere with, delay, discourage, or adversely affect the provisions of this Agreement or the intention of the parties hereunder with respect to the composition of the Board as stated herein and in the Purchase Agreement or with respect to obtaining the Approval in accordance with the Proxy Proposal set forth in Section 7.9 of the Purchase Agreement or (ii) cause the withdrawal, modification or qualification of such recommendation by the Board in any manner or will publicly propose to do so.

(e) Each Stockholder hereby appoints Purchaser and any designee of Purchaser, and each of them individually, such Stockholder's true and lawful proxies and attorneys-in-fact (each, a "Proxy Holder"), with full power of substitution and re-substitution, and hereby authorizes each Proxy Holder to represent and vote (or consent pursuant to an action by written consent of the stockholders, if applicable), during the term of this Agreement, all of such Stockholder's Voting Shares in favor of the matters set forth in this Section 1 and to take any action necessary to effect this Section 1. This proxy and power of attorney is given to secure the performance of the duties of such Stockholder under this Agreement. Each Stockholder shall take such further actions or execute such other instruments as may be necessary to effectuate the intent of this proxy. This proxy and power of attorney granted by each Stockholder shall be irrevocable during the term of this Agreement and shall be deemed to be coupled with an interest sufficient in law to support an

irrevocable proxy. Each Stockholder hereby revokes any and all prior proxies and powers of attorney granted by such Stockholder with respect to the Voting Shares. Unless and until this Agreement terminates in accordance with Section 2(h) below, each Stockholder shall not purport to grant any other proxy or power of attorney with respect to any of the Voting Shares, deposit any of the Voting Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any Person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of such Stockholder's Voting Shares, in each case, with respect to any of the matters set forth in this Section 1. The power of attorney granted by each Stockholder herein is a durable power of attorney and shall survive the dissolution, bankruptcy, death or incapacity of such Stockholder (to the extent applicable). The proxy and power of attorney granted hereunder shall terminate upon the termination of this Agreement in accordance with Section 2(h).

2. Miscellaneous.

(a) Incorporation of Provisions of the Purchase Agreement. The provisions set forth in Section 8.2 through (and including) Section 8.10 of the Purchase Agreement are incorporated herein, and shall apply to this Agreement as if restated in full herein in all respects. All notices, requests, consents and other communications hereunder to each Stockholder shall be to the address set forth opposite such Stockholder's name on Exhibit A hereto. In addition, all notices, requests, consents and other communications hereunder, if to any Person (other than the Stockholders) who becomes a holder of the Voting Shares (or any parts thereof) and succeeds to any Stockholder's rights and obligations hereunder, in each case, in accordance with Section 2(d) and the other terms of this Agreement, shall be addressed as such successor shall designate to Purchaser and the Company in writing.

(b) Voting Shares held by Affiliated Entities. To the extent any of the Voting Shares are not held directly by a Stockholder but by entities Affiliated with such Stockholder, such Stockholder hereby undertakes to cause each of such entities to (i) vote the Voting Shares held by them in accordance with the terms of this Agreement, and (ii) take any such other actions required or appropriate to fulfill the intent of the parties hereunder.

(c) No Agreement as Director or Officer. No Stockholder makes any agreement or understanding in this Agreement in such Stockholder's capacity as a director or officer of the Company or any of its subsidiaries (to the extent any Stockholder holds any of such offices), and nothing in this Agreement (a) will limit or affect any actions or omissions taken by any Stockholder in his capacity as a director or officer, and no such actions or omissions shall be deemed a breach of this Agreement, or (b) will be construed to prohibit, limit or restrict each Stockholder from exercising fiduciary duties as a director or officer to the Company or its stockholders.

(d) Successors in Interest. The provisions of this Agreement shall be binding upon the successors in interest of each Stockholder with respect to any of the Voting Shares or any voting rights therein, unless (i) such Voting Shares are sold into the public markets (a "Sale"), or (ii) such Voting Shares are transferred as a bona fide charitable gift to an unrelated third party non-government or non-profit organizations (a "Gift"). No Stockholder shall transfer, and the Company shall not permit any such transfer, of any Voting Shares (except for Sales and Gifts), unless and until the person to whom such securities are to be transferred shall have executed a written agreement pursuant to which such person becomes a party to this Agreement and agrees to be bound by all the provisions hereof as the Stockholders hereunder. For the avoidance of doubt, no such additional written agreement shall be required if Voting Shares that are transferred remain under the control of any Stockholder.

(e) Successors and Assigns. Except as otherwise expressly provided in this Agreement, the provisions hereof shall inure to the benefit of, and be binding upon, the successors and assigns of the parties hereto. None of the Company or any of the Stockholders may assign any of the rights, or delegate any of the obligations, under this Agreement without the prior written consent of Purchaser; provided, however, that Purchaser may assign any of its rights, and delegate any of its obligations, under this Agreement to an Affiliate of Purchaser.

(f) Specific Performance. It is agreed and understood that monetary damages may not adequately compensate an injured party for the breach of this Agreement by any party hereto, that any such injured party is entitled to specific performance of the terms of this Agreement (in addition to any other remedy to which it may be entitled at law or in equity), and that upon any breach of this Agreement, the non-breaching party shall be entitled to seek a temporary or permanent injunction, restraining order or other equitable remedy. Further, each party hereto agrees that it will not seek, and agrees to waive any requirement for, the securing or posting of a bond in connection with any other party's seeking or obtaining any equitable relief.

(g) Manner of Voting. The voting of Voting Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by Applicable Law.

(h) Termination. This Agreement shall terminate and be of no further force or effect upon the earlier to occur of: (i) upon the written consent of Purchaser, (ii) with respect to each Stockholder, when such Stockholder ceases to, directly or indirectly, hold any Voting Shares or, except with respect to Mr. Pickens, serve as an officer or director of the Company, or (iii) when Purchaser no longer has the right to appoint a Purchaser Designee (as defined in the Purchase Agreement). Nothing in this Section 2(h) shall be deemed to release any party from any liability

for any fraud or willful breach of this Agreement occurring prior to the termination hereof or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement.

(i) Amendments and Waivers. Except as otherwise provided herein, neither this Agreement nor any provision hereof may be changed, waived, discharged, modified or amended except upon the written consent of the Stockholders holding a majority in interest of the Voting Shares held by all Stockholders, the Company and Purchaser, in the case of any change, discharge, modification or amendment, or of the party hereto against whom the waiver is to be effective, in the case of a waiver; provided, however, that additional parties may be added to this Agreement by written agreement between Purchaser and such additional party, without the consent of the Stockholders or the Company being required, it being understood that each such additional party must be a holder of securities of the Company, and none of the Stockholders or the Company are adversely affected by such accession of the additional party.

(j) Stock Splits, Stock Dividends. In the event of any stock split, stock dividend, recapitalization, reorganization or the like, any securities issued with respect to Voting Shares held by each Stockholder shall become Voting Shares for purposes of this Agreement.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the parties hereto has caused this Voting Agreement to be executed by their duly authorized representatives or in their individual capacity, as the case may be, as of the date first above written.

COMPANY:

CLEAN ENERGY FUELS CORP.

By: /s/ Andrew J. Littlefair
Name: Andrew J. Littlefair
Title: President & Chief Executive Officer

IN WITNESS WHEREOF, each of the parties hereto has caused this Voting Agreement to be executed by their duly authorized representatives or in their individual capacity, as the case may be, as of the date first above written.

PURCHASER:

TOTAL MARKETING SERVICES S.A.

By: /s/ Philippe Montanteme
Name: Philippe Montanteme
Title: Vice-President Strategy Marketing & Research

IN WITNESS WHEREOF, each of the parties hereto has caused this Voting Agreement to be executed by their duly authorized representatives or in their individual capacity, as the case may be, as of the date first above written.

T. BOONE PICKENS (in his individual capacity)

/s/ Boone Pickens

IN WITNESS WHEREOF, each of the parties hereto has caused this Voting Agreement to be executed by their duly authorized representatives or in their individual capacity, as the case may be, as of the date first above written.

ANDREW J. LITTLEFAIR (in his individual capacity)

/s/ Andrew J. Littlefair

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ROBERT M. VREELAND (in his individual capacity)

/s/ Robert M. Vreeland

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MITCHELL W. PRATT (in his individual capacity)

/s/ Mitchell W. Pratt

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BARCLAY F. CORBUS (in his individual capacity)

/s/ Barclay F. Corbus

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JOHN S. HERRINGTON (in his individual capacity)

/s/ John S. Herrington

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WARREN I. MITCHELL (in his individual capacity)

/s/ Warren I. Mitchell

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KENNETH M. SOCHA (in his individual capacity)

/s/ Kenneth M. Socha

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JAMES C. MILLER III (in his individual capacity)

/s/ James C. Miller III

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VINCENT C. TAORMINA (in his individual capacity)

/s/ Vincent C. Taormina

IN WITNESS WHEREOF, each of the parties hereto has caused this Voting Agreement to be executed by their duly authorized representatives or in their individual capacity, as the case may be, as of the date first above written.

JAMES E. O'CONNOR (in his individual capacity)

/s/ James E. O'Connor

IN WITNESS WHEREOF, each of the parties hereto has caused this Voting Agreement to be executed by their duly authorized representatives or in their individual capacity, as the case may be, as of the date first above written.

STEPHEN A. SCULLY (in his individual capacity)

/s/ Stephen A. Scully

FORM OF

CLEAN ENERGY FUELS CORP.

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement"), is made as of [●], 2018, by and between Clean Energy Fuels Corp., a Delaware corporation (the "Company"), and Total Marketing Services, a company incorporated and registered in France (Company Number 542 034 921) (the "Purchaser").

WHEREAS, the Company and the Purchaser are parties to that certain Stock Purchase Agreement made as of May 9, 2018 (the "Purchase Agreement"), pursuant to which the Company agreed to issue and sell to the Purchaser, and the Purchaser agreed to purchase from the Company shares of Common Stock; and

WHEREAS, the parties hereto desire to provide for, among other things, the grant of registration rights with respect to the Registrable Securities (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company and the Purchaser hereby agree as follows:

SECTION 1. DEFINITIONS.

All capitalized terms used and not defined herein shall have the meanings given to them in the Purchase Agreement. In addition, and in addition to the terms defined elsewhere in this Agreement, for purposes of this Agreement, the following terms shall have the following meanings:

1.1 "Excluded Registration" means (a) a registration on Form S-8 (or similar successor form) relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan, (b) a registration on Form S-4 (or similar successor form) relating to a transaction under Rule 145 promulgated under the Securities Act, or (c) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.2 "FINRA" means the Financial Industry Regulatory Authority.

1.3 "Form S-3" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the Commission that permits incorporation of substantial information by reference to other documents filed by the Company with the Commission and that permits a registration as contemplated by this Agreement.

1.4 "Holders" means the Purchaser and any other Person holding Registrable Securities to whom the rights under this Agreement have been transferred in accordance with Section 3.2.

1.5 "Prospectus" means the prospectus related to any Registration Statement (including post-effective amendments thereto), whether preliminary or final or any prospectus supplement, and all materials incorporated by reference therein.

1.6 "Registrable Securities" means (a) any shares of Common Stock acquired pursuant to the Purchase Agreement and (b) any securities that may be issued or distributed in respect of any such Common Stock by way of conversion, dividend, stock split or other distribution, merger, consolidation, exchange, recapitalization, reclassification or similar transaction; provided, that Registrable Securities held by any Holder shall cease to be Registrable Securities (i) when they have been sold to or through a broker or dealer or Underwriter in a public distribution or in a public securities transaction (including pursuant to an effective Registration Statement or pursuant to Rule 144), (ii) when they have been sold in a transaction in which the transferor's rights under this Agreement are not validly assigned in accordance with this Agreement, (iii) when they have been repurchased by the Company, or (iv) with respect to each Holder, when such Holder has satisfied all holding periods under Rule 144 and all of the Registrable Securities held by such Holder may be sold under Rule 144(b)(1)(i) without limitation under any of the other subsections of Rule 144.

1.7 "Registration Statement" means any registration statement filed pursuant to the Securities Act.

1.8 "Selling Expenses" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder, except for the fees and disbursements of one counsel for all Holders borne and paid by the Company as provided in Section 2.6.

1.9 "Shelf Registration" means a registration of securities pursuant to a Registration Statement filed with the Commission in accordance with and pursuant to Rule 415 promulgated under the Securities Act.

1.10 "Underwriter" means the underwriter, placement agent or other similar intermediary participating in an Underwriting.

1.11 "Underwriting" of securities means a public offering of securities registered under the Securities Act in which an Underwriter participates in the distribution of such securities.

SECTION 2. REGISTRATION RIGHTS. The Company covenants and agrees with the Purchaser as follows:

2.1 Shelf Registration.

(a) The Company shall, at the Company's expense, prepare and, no later than the 60th day following the Closing Date, file with the Commission one or more Registration Statements on Form S-3 covering the resale and distribution of all of the Shares and if Form S-3 is unavailable for such registration, the Company shall use another appropriate form permitting registration of the Registrable Securities for resale by the Holders (whether singular or plural, the "Shelf Registration Statement"). The Company shall use its commercially reasonable efforts to cause the Shelf Registration Statement to become effective as promptly as reasonably practicable, but in no event later than 90 days after the initial filing of such Shelf Registration Statement, and, once, effective, the Company shall use commercially reasonable efforts to maintain the effectiveness of such Shelf Registration Statement under the Securities Act (including filing post-effective amendments or other applicable amendments or supplements) in order, subject to Section 2.2, to permit the Prospectus forming a part thereof to be usable by the Holders until the date all Registrable Securities cease to be Registrable Securities.

(b) From and after the date that the Shelf Registration Statement is initially effective, as promptly as reasonably practicable after receipt of a request from a Holder, and in any event within (i) 10 days after the date such request is received by the Company or (ii) if a request is so received during a Suspension Period, five days after the expiration of such Suspension Period, the Company shall take all necessary action to (x) cause the requesting Holder to be named as a selling securityholder in the Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus in connection with resales of such Registrable Securities to the purchasers thereof in accordance with applicable law, which action may include: (A) if required by applicable law, rule or regulation, filing with the Commission a post-effective amendment to the Shelf Registration Statement; (B) preparing and, if required by applicable law, rule or regulation, filing with the Commission a supplement or supplements to the related Prospectus or a supplement or amendment to any document incorporated therein by reference; (C) filing with the Commission any other required document; or (D) with respect to a post-effective amendment to the Shelf Registration Statement that is not automatically effective, using its commercially reasonable efforts to cause such post-effective amendment to be declared or to otherwise become effective under the Securities Act as promptly as reasonably practicable; provided that: (1) if the Company has already filed a post-effective amendment to the Shelf Registration Statement during the calendar quarter in which such filing would otherwise be required to be made, the Company may delay such filing until the 10th day of the following calendar quarter; and (2) if such request is delivered during a Suspension Period, the Company shall so inform the Holder delivering such request and shall take the actions set forth above upon expiration of the Suspension Period; and, (y) in accordance with Section 2.4 participate in one Underwriting of Registrable Securities requested by a Holder, and shall file any supplements and amendments to the Shelf Registration Statement as may be required by applicable law or rules of the Commission. Notwithstanding anything to the contrary, the Company shall not be obligated to initiate an Underwriting pursuant to the Shelf Registration Statement upon a request of a Holder unless such

Holder agrees in writing to reimburse any Selling Expenses of the Company in connection with such Underwriting; provided that, if the Company furnishes to the Holders requesting an Underwriting pursuant to this Section 2.1(b) a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board (or any duly authorized committee thereof) it would be materially detrimental to the Company and its stockholders to initiate such an Underwriting because such action would (A) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (B) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (C) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking such action, subject to the limitations set forth in Section 2.2.

2.2 Suspension Periods. Upon written notice to the Holders of Registrable Securities, (a) the Company shall be entitled to suspend, for a period of time, the use of any Shelf Registration Statement or Prospectus included therein if the Board (or any duly authorized committee thereof) determines in its good faith judgment, after consultation with counsel, that such Shelf Registration Statement or Prospectus may contain an untrue statement of a material fact or omit any fact necessary to make the statements in the Shelf Registration Statement or Prospectus not misleading and (b) the Company shall not be required to amend or supplement the Shelf Registration Statement, any related Prospectus or any document incorporated therein by reference if the Board (or any duly authorized committee thereof) determines in its good faith judgment, after consultation with counsel, that such amendment or supplement would reasonably be expected to have a material adverse effect on any proposal or plan of the Company to effect a merger, acquisition, disposition, financing, reorganization, recapitalization or similar transaction, in each case that is material to the Company (in the case of each of clause (a) and (b), a "Suspension Period"); provided that (A) the duration of all Suspension Periods may not exceed 90 days in the aggregate in any 12-month period and (B) the Company shall use its commercially reasonable efforts to amend or supplement the Shelf Registration Statement and/or Prospectus to correct such untrue statement or omission as promptly as reasonably practicable, but in no event shall any single Suspension Period exceed 45 consecutive days.

2.3 Effect of Failure to File and Obtain and Maintain Effectiveness of Shelf Registration Statement. If (i) a Shelf Registration Statement covering all of the Registrable Securities required to be covered thereby and required to be filed by the Company pursuant to Section 2.1(a) of this Agreement is (A) not filed with the Commission on or before the 60th day after the Closing Date (a "Filing Failure") or (B) not declared effective by the Commission within 90 days of the initial filing of such Shelf Registration Statement (an "Effectiveness Failure"); or (ii) for more than 30 days in any 12-month period while Registrable Securities remain outstanding, Registrable Securities that have previously been covered by an effective Shelf Registration Statement are no longer covered by an effective Shelf Registration Statement (a "Maintenance Failure," and together with a Filing

Failure and an Effectiveness Failure, a "Failure"), then in lieu of the damages to any Holder by reason of such delay in or reduction of its ability to sell such Registrable Securities, the Company shall pay to each Holder its pro rata amount in cash equal to 0.75% of the aggregate investment amount of the Registrable Securities that are subject of such Failure (x) within five Trading Days of a Failure and (y) on every monthly anniversary of such Failure (in each case, on a pro rata basis for periods less than 30 days) until such Failure is cured or no Registrable Securities remain outstanding, whichever is earlier. The payments to which each Holder shall be entitled pursuant to this Section 2.3 are referred to herein as "Registration Delay Payments." If the Company fails to make any Registration Delay Payment within five Trading Days after the date payable, such Registration Delay Payment shall bear interest at the rate of 18% per annum, or if an 18% interest rate is not allowed under applicable laws, such other rate as is the maximum interest rate allowed under applicable law, until paid in full. Notwithstanding anything to the contrary herein, in no event shall the Company be liable for aggregate Registration Delay Payments of more than four percent (4%) per annum of the investment amount of the Registrable Securities that are subject of such Failure. The parties intend that the Registration Delay Payments constitute compensation, and not a penalty. The parties acknowledge and agree that any Holder's harm caused by a Failure would be impossible or very difficult to accurately estimate as of the date hereof, and that the Registration Delay Payments are a reasonable estimate of the anticipated or actual harm that might arise from a Failure. The Company's payment of the Registration Delay Payments is the Company's sole liability and entire obligation and any Holder's exclusive remedy for any Failure.

2.4 Obligations of the Company. The Company shall, as promptly as reasonably practicable:

(a) furnish to the selling Holders such numbers of copies of the Prospectus that forms a part of the Shelf Registration Statement as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities pursuant to and in accordance with the Shelf Registration Statement;

(b) provide counsel to the Holders a reasonable opportunity to review and comment upon the Shelf Registration Statement, including any Plan of Distribution section to be included therein, and any Prospectus that forms a part thereof;

(c) if requested by any participating Holder, promptly include in a Prospectus supplement or amendment such information as the Holder may reasonably request, including in order to permit the intended method of distribution of such securities, and make all required filings of such Prospectus supplement or such amendment as promptly as reasonably practicable after the Company has received such request;

(d) use its commercially reasonable efforts to register and qualify, or obtain an exemption from registration or qualification for, the securities covered by the Shelf Registration

Statement under such other state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the case of an Underwriting, use its commercially reasonable efforts to obtain a "comfort" letter or letters, dated as of such date or dates as the managing Underwriters reasonably request, from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by "comfort" letters and as any managing Underwriter reasonably requests;

(f) in the case of an Underwriting, furnish, at the request of any managing Underwriter for such offering, an opinion with respect to legal matters and a negative assurance letter with respect to disclosure matters, dated as of each closing date of such offering, of counsel representing the Company for the purpose of such registration, addressed to the Underwriters, covering such matters with respect to the registration in respect of which such opinion and letter are being delivered as the Underwriters may reasonably request and as are customarily included in such opinions and negative assurance letters;

(g) in the case of an Underwriting, use its commercially reasonable efforts to cooperate and assist in any filings required to be made with FINRA and in the performance of any due diligence investigation by any Underwriter and its counsel (including any "qualified independent underwriter," if applicable) that is required or requested by FINRA in order to obtain written confirmation from FINRA that FINRA does not object to the fairness and reasonableness of the underwriting terms and arrangements (or any deemed underwriting terms and arrangements) relating to the resale of Registrable Securities pursuant to the Shelf Registration Statement, including information provided to FINRA through its public offering system;

(h) if requested by the managing Underwriters, if any, or by any Holder of Registrable Securities being sold in an Underwriting, promptly incorporate in a Prospectus supplement or post-effective amendment to the Shelf Registration Statement such information as the managing Underwriters, if any, or such Holders indicate relates to them or that they reasonably request be included therein and make appropriate members of management available to meeting with potential investors in the offering;

(i) cause the Registrable Securities covered by such Registration Statement to be registered with or approved by such other Governmental Entities as may be reasonably necessary by virtue of the business and operations of the Company to enable the selling Holders to consummate the disposition of their respective Registrable Securities;

(j) in the event of any Underwriting, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the Underwriter(s) of such offering;

(k) in the event of any Underwriting, cause the executive officers of the Company to make themselves reasonably available to participate in customary “road show” presentations that may be reasonably requested and scheduled by the managing Underwriter(s) in any such Underwriting and otherwise reasonably facilitate and cooperate with each proposed offering contemplated herein and customary selling efforts related thereto;

(l) in the event of the issuance or threatened issuance of any stop order suspending the effectiveness of the Shelf Registration Statement, or of any order suspending or preventing the use of any related Prospectus or suspending the qualification of any Registrable Securities included in such Shelf Registration Statement for sale in any jurisdiction, use its commercially reasonable efforts to (i) prevent the issuance of any such stop order, and in the event of such issuance, to obtain the withdrawal of such order, and (ii) obtain, as promptly as reasonably practicable, the withdrawal of any order suspending or preventing the use of any related Prospectus or suspending qualification of any Registrable Securities included in such Registration Statement for sale in any jurisdiction;

(m) use its commercially reasonable efforts to cause all Registrable Securities covered by the Shelf Registration Statement to be listed on each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(n) provide a transfer agent and registrar for all Registrable Securities registered pursuant to the Shelf Registration Statement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(o) promptly make available for inspection by the selling Holders, any managing Underwriter(s) participating in any disposition pursuant to the Shelf Registration Statement, and any attorney or accountant or other agent retained by any such Underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company’s officers, directors, employees, and independent accountants to supply all oral or written information reasonably requested by any such seller, Underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such Shelf Registration Statement and to conduct appropriate due diligence in connection therewith;

(p) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such Registration Statement has been declared effective by the Commission or a supplement to any prospectus forming a part of such Registration Statement has been filed with the Commission;

(q) notify each selling Holder at any time when a Prospectus relating to the Shelf Registration Statement is required to be delivered under the Securities Act (i) as promptly as reasonably practicable upon discovery that, or upon the happening of any event as a result of which, such Shelf Registration Statement, or the Prospectus relating to such Shelf Registration Statement, or any document incorporated or deemed to be incorporated therein by reference therein, contains an untrue statement of a material fact or omits any fact necessary to make the statements in the Shelf Registration Statement, the Prospectus relating thereto, or such incorporated document not misleading, or otherwise requires the making of any changes to such Shelf Registration Statement, Prospectus, or document, and, at the request of any such Holder and subject to the Company's ability to declare Suspension Periods pursuant to Section 2.2, the Company shall promptly prepare a supplement or amendment to such Prospectus, furnish a reasonable number of copies of such supplement or amendment to each such selling Holder of such Registrable Securities, and file such supplement or amendment with the Commission so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus as so amended or supplemented shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading, (ii) as promptly as reasonably practicable after the Company becomes aware of any request by the Commission or any federal or state governmental authority for amendments or supplements to such Shelf Registration Statement or related Prospectus covering Registrable Securities or for additional information relating thereto, (iii) as promptly as reasonably practicable after the Company becomes aware of the issuance or threatened issuance by the Commission of any stop order suspending or threatening to suspend the effectiveness of such Shelf Registration Statement covering the Registrable Securities, or (iv) as promptly as reasonably practicable after the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any Registrable Security for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose; and

(r) after such Registration Statement becomes effective, notify each selling Holder of any request by the Commission that the Company amend or supplement such Shelf Registration Statement or Prospectus relating thereto.

2.5 Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this SECTION 2 with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of distribution or disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities in accordance with all applicable law, Commission rules and interpretations thereof as then in effect.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to this SECTION 2, including all registration, filing and qualification fees; printers' and accounting fees; fees and disbursements of

counsel for the Company; and fees and disbursements of one counsel for all Holders in connection with such counsel's review of a Shelf Registration Statement required to be filed pursuant to Section 2.1(a) shall be borne and paid by the Company. All Selling Expenses relating to Registrable Securities registered pursuant to this SECTION 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf. Except as set forth in this Section 2.6, all other expenses related to the Shelf Registration Statement shall be borne and paid by the party that incurs such expense.

2.7 Indemnification. If any Registrable Securities are included in a Shelf Registration Statement filed pursuant to this Agreement:

(a) To the extent permitted by law, the Company shall indemnify, hold harmless and defend each Holder, each of its officers, directors, members, employees, agents, partners, legal counsel, and accountants, and each person controlling such Holder within the meaning of Section 15 of the Securities Act, and each Underwriter, if any, and each person who controls such Underwriter within the meaning of Section 15 of the Securities Act, against all expenses, claims, losses, damages, liabilities, judgments, fines, penalties, charges, costs, attorney's fees, amounts paid in settlement or expenses, joint or several, (collectively, the "Claims") incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court, governmental, administrative, or other regulatory agency, body or the Commission, whether pending or threatened, whether or not an indemnified party is or may be a party thereto, to which any of them may become subject insofar as such Claims (or actions, proceedings, or settlements in respect thereof, whether commenced or threatened) arise out of or are based on any untrue statement (or alleged untrue statement) of a material fact contained in any Registration Statement, prospectus (preliminary or final), offering circular, or other document (including any related Registration Statement, free writing prospectus, notification, filings made in connection with the qualification of an offering or the like), or any amendment or supplement thereto, incident to any such registration, qualification, compliance or offering, or arise out of or are based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, or arise out of or are based on any violation by the Company of the Securities Act or any rule or regulation promulgated under the Securities Act or any other federal, state or common law rule or regulation applicable to the Company in connection with any such registration, qualification, compliance or offering. The Company shall promptly reimburse each such Holder, each of its officers, directors, members, employees, agents, partners, legal counsel, and accountants, and each person controlling such Holder, each such Underwriter and each person who controls any such Underwriter, for any legal and any other expenses reasonably incurred in connection with investigating, preparing, defending, or settling any such Claim, as such expenses are incurred; provided that the Company shall not be liable in any such case to the extent that any such Claim arises out of or is based on any untrue statement or omission or alleged untrue statement or omission,

made in reliance upon and in strict conformity with written information furnished to the Company by such Holder, controlling person, or Underwriter and stated to be specifically for use therein. It is agreed that the indemnity agreement contained in this Section 2.7(a) shall not apply to amounts paid in settlement of any such Claim if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) To the extent permitted by law, each Holder shall, severally and not jointly, if Registrable Securities held by such Holder are included in the securities as to which such registration, qualification, or compliance is being effected, indemnify the Company, each of its directors, officers, partners, legal counsel, and accountants, and each Underwriter, if any, and each person who controls the Company or such Underwriter within the meaning of Section 15 of the Securities Act, and each other such Holder, each of their officers, directors, members, employees, agents, partners, legal counsel and accountants and each person controlling such Holder within the meaning of Section 15 of the Securities Act, against all Claims, to which any of them may become subject insofar as such Claims (or actions, proceedings, or settlements in respect thereof, whether commenced or threatened) arise out of or are based on any untrue statement (or alleged untrue statement) of a material fact contained in any such Registration Statement, free writing prospectus, prospectus (preliminary or final), offering circular, or other document (including any related Registration Statement, free writing prospectus, notification, filings made in connection with the qualification of an offering or the like), or any amendment or supplement thereto, or any omission (or alleged omission) to state therein a material fact required to be stated therein, in light of the circumstances in which they were made, or necessary to make the statements therein not misleading, and shall promptly reimburse the Company and such Holders, directors, officers, partners, legal counsel, and accountants, persons, Underwriters, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such Claim, as such expenses are incurred, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such Registration Statement, prospectus, offering circular, or other document in reliance upon and in strict conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of such Holder under this Section 2.7(b) shall not apply to amounts paid in settlement of any such Claims if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld, conditioned or delayed); provided, further, that that in no event shall any indemnity under this Section 2.7(b) exceed the net proceeds received by such Holder in such offering.

(c) Each party entitled to indemnification under this Section 2.7 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any Claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such Claim or any litigation resulting therefrom; provided that counsel for the

Indemnifying Party, who shall conduct the defense of such Claim or litigation, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld, conditioned or delayed), and the Indemnified Party may participate in such defense at such party's expense; provided, further, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 2.7 unless the failure to give such notice is materially prejudicial to an Indemnifying Party's ability to defend such action. No Indemnifying Party, in the defense of any such Claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such Claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the Claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such Claim and litigation resulting therefrom.

(d) If the indemnification provided for in this Section 2.7 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any Claim, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and the Indemnified Party on the other in connection with the statements or omissions that resulted in such Claim, 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 or alleged untrue statement of a material fact or the omission to state a material fact related 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 statement or omission. The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 2.7 were based solely upon the number of entities from whom contribution was requested or by any other method of allocation which does not take account of the equitable considerations referred to above. In no event shall any contribution by a Holder under this Section 2.7 exceed the net proceeds received by such Holder in such offering.

(e) The amount paid or payable by an Indemnified Party as a result of the Claims referred to above in this Section 2.7 shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such Claim, subject to the provisions of Section 2.7(c). No person guilty of fraudulent misrepresentation (within the meaning of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(f) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection

with an underwritten public offering are in conflict with the foregoing provisions, the provisions in such underwriting agreement shall control.

(g) The obligations of the Company and Holders under this Section 2.7 shall survive the completion of any offering of Registrable Securities pursuant to a Shelf Registration Statement.

2.8 Reports Under Exchange Act. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the Commission that may at any time permit a Holder to sell securities of the Company to the public without registration, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in Rule 144;

(b) file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) so long as a Holder owns any Registrable Securities, furnish to the Holder forthwith upon request a written statement by the Company as to its compliance with the current public information requirements of Rule 144 and of any other reporting requirements of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company as filed under the Exchange Act, and such other reports and documents of the Company and other information in the possession of or reasonably obtainable by the Company as a Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to sell any such securities without registration.

2.9 Termination of Registration Rights. The rights and obligations of any Holder under this Agreement shall terminate when all such Holder's securities that were Registrable Securities cease to be Registrable Securities; provided that the indemnification provisions of Section 2.7 shall survive such termination. This Agreement shall terminate when there are no Registrable Securities outstanding; provided that the indemnification provisions of Section 2.7 shall survive such termination.

SECTION 3.MISCELLANEOUS.

3.1 Incorporation of Purchase Agreement Provisions. The provisions set forth in Section 8.2 through (and including) Section 8.10 of the Purchase Agreement are incorporated herein, and shall apply to this Agreement as if restated in full herein in all respects. In addition, all notices, requests, consents and other communications hereunder, if to any Person other than the Purchaser who is then a Holder, shall be addressed to the address of such Holder as it appears in the stock transfer books of the Company, or to such other Person at such other place as such Holder shall designate to the Company in writing.

3.2 Successors and Assigns. Except as otherwise provided herein, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of each of the parties hereto and all Holders. The rights of a Holder hereunder, including the right to have the Company register Registrable Securities pursuant to this Agreement, may be assigned by such Holder at any time to an Affiliate of such Holder, but only if such transferee executes a Joinder in substantially the form attached as Exhibit A hereto. Nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of applicable law, regulation or rule or any applicable agreement.

3.3 Amendments and Waivers. This Agreement may be amended only with the written consent of the Company, and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company shall have obtained a written consent to such amendment, action or omission to act of the Holders of at least a majority of the Registrable Securities.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

COMPANY:

CLEAN ENERGY FUELS CORP.

By: __

Name: __

Title: __

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

PURCHASER:

TOTAL MARKETING SERVICES

By: __

Name: __

Title: __

[Signature Page to Registration Rights Agreement]

EXHIBIT A

FORM OF JOINDER

THIS JOINDER (this "Joinder") is made as of [●], 20[●], by and among [●] (the "New Party"), Total Marketing Services (the "Current Party"), and Clean Energy Fuels Corp. (the "Company").

WHEREAS a Registration Rights Agreement was entered into on [●], 2018 by and between the Company and the Current Party (the "Registration Rights Agreement"), a copy of which the New Party hereby confirms has been supplied with and acknowledges the terms therein.

The parties hereto hereby agree as follows:

1. In this Joinder, unless the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Registration Rights Agreement.

2. The New Party hereby accedes to and ratifies the Registration Rights Agreement and covenants, and shall be bound by the terms of the Registration Rights Agreement as a "Purchaser" thereunder with respect to all Registrable Securities held (as of the date hereof or hereafter) by the New Party, and shall duly and punctually perform and discharge all liabilities and obligations whatsoever from time to time to be performed or discharged by it under or by virtue of the Registration Rights Agreement in all respects as if named as a "Purchaser" therein.

3. The Company covenants and agrees that the New Party shall be entitled to all the benefits of the terms and conditions of the Registration Rights Agreement with the intent and effect that the New Party shall be deemed, from the date on which the New Party executes this Joinder, to be a party to the Registration Rights Agreement as a "Purchaser" thereunder with respect to all Registrable Securities held (as of the date hereof or hereafter) by the New Party.

4. This Joinder shall be read and construed in conjunction and as one document with the Registration Rights Agreement, and references in the Registration Rights Agreement to "the Agreement" or "this Agreement," and references to the Registration Rights Agreement in all other documents executed thereunder, pursuant thereto or in connection therewith, shall for all purposes refer to the Registration Rights Agreement incorporating and as supplemented by this Joinder.

5. The provisions set forth in Sections 8.7, 8.8 and 8.9 of the Purchase Agreement are incorporated herein, and shall apply to this Agreement as if restated in full herein in all respects. The address of the New Party for purposes of all notices under the Registration Rights Agreement is set forth below.

[NEW PARTY]

By: _____

Name: _____

Title: _____

Address: _____ _____

Exhibit 31.1

Certifications

I, Andrew J. Littlefair, certify that:

1. I have reviewed this Form 10-Q of Clean Energy Fuels Corp.;

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(s) 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) 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

(d) 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.

5. The registrant's other certifying officer(s) 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.

Date: May 10, 2018

/s/ ANDREW J. LITTLEFAIR

Andrew J. Littlefair,

President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certifications

I, Robert M. Vreeland, certify that:

1. I have reviewed this Form 10-Q of Clean Energy Fuels Corp.;

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(s) 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) 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

(d) 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.

5. The registrant's other certifying officer(s) 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.

Date: May 10, 2018

/s/ ROBERT M. VREELAND

Robert M. Vreeland,

Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION REQUIRED BY
SECTION 1350 OF TITLE 18 OF THE UNITED STATES CODE

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned hereby certifies in his capacity as the specified officer of Clean Energy Fuels Corp. (the "Company") that, to the best of his knowledge, the quarterly report of the Company on Form 10-Q for the fiscal quarter ended March 31, 2018 fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and that the information contained in such 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 presented in the financial statements included in such report.

Dated: May 10, 2018

/s/ ANDREW J. LITTLEFAIR

Name: Andrew J. Littlefair

Title: *President and Chief Executive Officer*
(Principal Executive Officer)

Dated: May 10, 2018

/s/ ROBERT M. VREELAND

Name: Robert M. Vreeland

Title: *Chief Financial Officer*
(Principal Financial Officer)

This certification accompanies this quarterly report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Exchange Act. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.