

# **EXTERRAN CORPORATION**

## **NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

The Board of Directors (the “Board”) of Exterran Corporation (the “Company”) recognizes that the business and affairs of the Company are managed under the direction of the Board. In recognition of this responsibility, the Board seeks to ensure that it identifies, attracts and retains individuals to the Board who have the requisite skill, experience and expertise to serve the Company’s stockholders effectively. To this end, the Board seeks to empower the nominating and governance committee (the “Committee”) with sufficient authority and responsibility to achieve these goals and the other purposes set forth in this Charter.

### **Purpose**

The primary purposes of the Committee shall be to (i) assist the Board in (a) identifying qualified individuals to become Board members, (b) receiving and reviewing recommendations by stockholders for Board nominations, (c) determining whether existing Board members should be nominated for re-election, (d) reviewing the composition of the Board and its committees and (e) overseeing the evaluation of the Board and Board Committees; (ii) developing, reviewing and implementing the Company’s Corporate Governance Principles; and (iii) addressing other governance-related issues that may arise from time to time.

### **Composition**

The “Committee shall consist of a minimum of three Directors. All members of the Committee shall be “independent” as defined under applicable law and regulation, the Company’s Corporate Governance Principles and the rules of the New York Stock Exchange (“NYSE”).

Members of the Committee, including the Committee chairperson, shall be recommended by the Chairman of the Board (the “Chairman”) and appointed by a majority vote of the members of the Board. Members of the Committee shall serve at the pleasure of the Board and for such term or terms as the Board may determine. Members of the Committee may be removed by a majority vote of the members of the Board. Unless a Committee chairperson is designated by the Board, the Committee may designate a chairperson by majority vote of the full Committee membership.

### **Meetings**

The Committee shall meet (either in person or telephonically) as often as it determines but not less frequently than three times per year.

All matters before the Committee shall be determined by a majority vote of the Committee members present.

The Committee has the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company’s bylaws that are applicable to the Committee.

## Authority and Responsibilities

The Committee shall have the following authority and responsibilities:

1. As described below, to recommend to the Board individuals qualified to become Board members, consistent with criteria recommended by the Committee and approved by the Board, and to recommend to the Board Director nominees for the next annual meeting of stockholders; recommend, as might be appropriate, Director removal; develop, periodically review and recommend to the Board a set of Corporate Governance Principles applicable to the Company; and oversee the evaluation of the Board and the other Board committees.
2. In consultation with the Chairman and the Chief Executive Officer (“CEO”), to search for and consider candidates to fill vacant Board positions. The Committee may accept recommendations from other members of the Board and from stockholders. The Committee shall select individuals as Director nominees for their character, judgment, ethics, integrity, business experience, competence in areas of particular importance to the Company, time commitment and acumen, and who the Committee believes will be effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the stockholders; and who will satisfy the qualification and composition requirements of the Board and its committees, as required by law or the rules of the NYSE, the Company’s certificate of incorporation or bylaws and the Company’s Corporate Governance Principles. Final approval of a candidate shall be determined by a majority of the full Board.
3. To recommend to the Board current Directors as nominees to be presented for stockholder approval at the annual meeting, as appropriate. In undertaking this task the Committee shall consider the performance of Directors against criteria to be established by the Committee, with such criteria including attendance at meetings of the Board and, if applicable, meetings of committees of the Board. No director who, in an uncontested election, receives a greater number of votes “against” from his or her election than votes “for” such election who does not tender a letter of resignation within ten business days following certification of the stockholder vote shall be nominated for election as a Director at the next annual meeting of stockholders.
4. To review the Board’s committee structure and, following consideration of the Chairman’s recommendations, to recommend to the Board for its approval Directors to serve as members and chairpersons of each committee of the Board (other than this Committee). The Committee shall review the Chairman’s recommendations for Board committee slates annually and shall recommend additional Committee members to fill vacancies as needed following consideration of the Chairman’s recommendations.
5. To review on an annual basis the directors’ and officers’ insurance program, including the amount and scope of coverage, and the indemnification provided to Directors and officers to ensure that such insurance and indemnity protection is consistent with the overall goal of attracting and retaining qualified Directors.

6. In consultation with the Chairman and the CEO, to be responsible for the development of periodic review and interpretation of the Company's governance policies and the Nominating and Corporate Governance Committee Charter, as well as consideration of other corporate governance issues that may, from time to time, merit consideration by the entire Board.
7. In consultation with the Chairman and the CEO, to consider and make recommendations to the Board concerning the appropriate size and needs of the Board.
8. To implement and oversee all Board self-evaluation processes whereby the Board shall establish performance criteria for itself and evaluate itself on a regular basis. Board evaluation shall include an assessment of whether the Board has the necessary diversity of skills, backgrounds, experiences, etc., to meet the Company's ongoing needs.
9. To consider policies relating to the Board and directors, including committee structure and size, share ownership, and retirement and resignation.
10. To recommend to the Board for its approval and to implement Company procedures regarding the consideration of nominees to the Board received from stockholders.
11. To recommend to the Board within 90 days of certification of the stockholder vote, in the case of any nominee for Director in an uncontested election who receives a greater number of votes "against" from his or her election than votes "for" such election and who tenders a letter of resignation from the Board, that the Board either reject or accept such resignation or take other action. Notwithstanding the above, only those members of the Committee who in an uncontested election received a greater number of votes "for" their election than votes "against" from their election at the most recently held meeting of stockholders shall participate in the deliberations by and the actions of the Committee relating to such resignations.

In addition to the duties and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purpose of the Committee, and the Company's bylaws and applicable NYSE rules.

### **Subcommittees**

The Committee shall have the authority to delegate any of its responsibilities to subcommittees, as the Committee may deem appropriate in its sole discretion.

### **Outside Advisors**

The Committee shall have the sole authority to retain a search firm or firms to assist in identifying Director candidates, and to retain outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have authority to approve related fees and retention terms. The Company will provide for appropriate funding, as determined by the Committee, for payment of fees to any search firm, outside counsel or other advisors retained by the Committee.

## **Reporting and Charter Review**

The Committee shall report its actions and any recommendations to the Board as soon as practicable after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee. The Committee shall review at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.

## **Access**

The Committee shall consider candidates recommended by stockholders who timely submit such recommendations in writing to the attention of the Company's Corporate Secretary at the address of the Company's corporate headquarters as indicated in its annual proxy statement and consistent with the procedures set out in the Company's bylaws.