

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**      **Lina M. Khan, Chair**  
                                 **Rebecca Kelly Slaughter**  
                                 **Alvaro M. Bedoya**

---

In the Matter of )  
                                 )  
                                 )  
**QEP Partners, LP,** )  
    a limited partnership, )  
                                 )  
**Quantum Energy Partners VI, LP,** )  
    a limited partnership, )  
                                 )  
**Q-TH Appalachia (VI) Investment** )  
**Partners, LLC,** )  
    a limited liability company, and )  
                                 )  
**EQT Corporation,** )  
    a corporation. )

---

**DECISION AND ORDER**  
**Docket No. C-4799**  
  
**REDACTED PUBLIC VERSION**

**DECISION**

The Federal Trade Commission (“Commission”) initiated an investigation of Respondent EQT Corporation’s proposed acquisition of THQ Appalachia I Midco, LLC, i.e., Tug Hill, and THQ-XcL Holdings I, LLC, i.e., XcL Midstream, indirectly from Respondent Quantum Energy Partners VI, LP and Respondent Q-TH Appalachia (VI) Investment Partners, LLC, both of whose ultimate controlling affiliate is Respondent QEP Partners, LP, in which Quantum Energy Partners VI, LP and Q-TH Appalachia (VI) Investment Partners, LLC would directly or indirectly receive EQT voting securities as part of EQT’s payment for Tug Hill and XcL Midstream.

The Commission’s Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 8 of the Clayton Act, as amended, 15 U.S.C. § 19, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

Respondents and the Bureau of Competition executed an Agreement Containing Consent Order (“Consent Agreement”) containing (1) an admission by Respondents of the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has

been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order.

The Commission considered the matter and determined that it had reason to believe that Respondents have violated said Acts, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings:

1. Respondent QEP Partners, LP is a limited partnership organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its executive offices and principal place of business located at 800 Capitol Street, Suite 3600, Houston, Texas 77002.
2. Respondent Quantum Energy Partners VI, LP is a limited partnership organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its executive offices and principal place of business located at 800 Capitol Street, Suite 3600, Houston, Texas 77002.
3. Respondent Q-TH Appalachia (VI) Investment Partners, LLC is a limited liability company organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its executive offices and principal place of business located at 800 Capitol Street, Suite 3600, Houston, Texas 77002.
4. Respondent EQT Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Pennsylvania with its executive offices and principal place of business located at 625 Liberty Avenue, Suite 1700, Pittsburgh, Pennsylvania 15222.
5. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondents and the proceeding is in the public interest.

## **ORDER**

### **I. Definitions**

**IT IS ORDERED** that, as used in this Order, the following definitions shall apply:

- A. "Quantum VI" means Quantum Energy Partners VI, LP, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Quantum Energy Partners VI, LP, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

- B. “Q-TH” means Q-TH Appalachia (VI) Investment Partners, LLC, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Q-TH Appalachia (VI) Investment Partners, LLC, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. “QEP” means QEP Partners, LP, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by QEP Partners, LP, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- D. “Quantum” means Quantum VI, Q-TH, and QEP, individually and collectively.
- E. “EQT” means EQT Corporation, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by EQT Corporation, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- F. “Acquisition” means the proposed acquisition described in the Acquisition Agreement.
- G. “Acquisition Agreement” means the Amended and Restated Purchase Agreement by and among THQ Appalachia I, LLC and THQ-XCL Holdings I, LLC as Sellers, THQ Appalachia I Midco, LLC, TH Exploration, LLC, TH Exploration II, LLC, TH Exploration III, LLC, TH Exploration IV, LLC, THQ Marketing, LLC, High Road Minerals, LLC, High Road Operating, LLC, High Road Midstream, LLC, THQ-XCL Holdings I Midco, LLC, XCL Midstream, LLC, XCL Processing, LLC, XCL Midstream Operating, LLC and XCL Processing Operating, LLC, as the Companies, EQT Production Company, as Buyer, and EQT Corporation as Buyer Parent, dated December 23, 2022.
- H. “Acquisition Date” means the date the Respondents close on the Acquisition.
- I. “Additional EQT Shares” means EQT shares that Quantum acquires after the Acquisition Date; *provided, however*, that Additional EQT Shares shall not include any shares acquired or held by individuals in their individual capacities.
- J. “Business Records” means books, records, data, and information, wherever located and however stored, including documents, written information, graphic materials, and data and information in electronic format. Business Records includes books, records, data, and information relating to sales, marketing, logistics, products, pricing, promotions, advertising, personnel, accounting, business strategy, information technology systems, customers, suppliers, vendors, research and development, registrations, licenses, permits, and operations.

- K. “Concurrent Additional EQT Shares” means any Additional EQT Shares that Quantum acquires during the time it holds any of the Original EQT Shares.
- L. “Enverus Production Data” means the year-end production volume data in the Relevant Area for the prior year published by Enverus, Inc.
- M. “EQT Covered Entity” means any entity owned or controlled by EQT that is in the business of acquiring mineral rights or developing natural gas production assets in the Relevant Area, including THQ Appalachia I, LLC and THQ-XcL Holdings I, LLC.
- N. “EQT Shares” means the Original EQT Shares and any Concurrent Additional EQT Shares.
- O. “Independent Director” means a member of the board of directors of EQT Corporation who is neither part of EQT’s executive team nor involved in the day-to-day operations of EQT.
- P. “Monitor” means any Person appointed by the Commission to serve as a monitor pursuant to this Order.
- Q. “Non-Public Information” means all Business Records, information contained in the Business Records, and information of a Respondent known to employees of such Respondent, in each case that is not in the public domain, except for any information that was or becomes generally available to the public other than because Quantum has disclosed EQT Non-Public Information or EQT has disclosed Quantum Non-Public Information, including customer lists, price lists, plans, contracts, expansion projects, cost information, technologies, processes, and competitively sensitive data or information.
- R. “Original EQT Shares” means the EQT shares issued as partial consideration for the Acquisition and that are received and retained by Quantum pursuant to the Acquisition Agreement; *provided, however*, that Original EQT Shares shall not include any shares received by individuals as a result of distribution at or following closing of the Acquisition.
- S. “Quantum Covered Entity” means any entity owned or controlled by Quantum that is in the business of acquiring mineral rights or developing natural gas production assets in the Relevant Area, including HG Energy II, LLC.
- T. “Quantum Non-Covered Entity” means any entity owned or controlled by Quantum that is not in the business of acquiring mineral rights or developing natural gas production assets in the Relevant Area.
- U. “Relevant Area” means the Appalachian Basin, consisting of an area composed of those portions of West Virginia, Pennsylvania, Ohio, Maryland, Kentucky, and Virginia that lie within the Appalachian Mountains.

- V. “Respondents” means Quantum and EQT.
- W. “Stock Divestiture Deadline” means the deadline set forth in Non-Public Appendix A of this Order.
- X. “The Mineral Company” means the joint venture between EQT and Quantum formed in October 2020 for the purpose of acquiring mineral rights.

## **II. Acquisition Agreement**

**IT IS FURTHER ORDERED** that prior to the Acquisition Date, Respondents shall amend and remove from any agreement relating to the Acquisition, including the Acquisition Agreement and any related exhibits, the right of any director, officer, partner, employee, or agent of Quantum to serve on the board of directors of EQT.

## **III. Interlocking Management**

**IT IS FURTHER ORDERED** that:

- A. Quantum shall not, directly or indirectly:
  - 1. Appoint any persons to the board of directors of EQT Corporation or any EQT Covered Entity or in any other way seek or obtain representation on the board of directors of EQT; and
  - 2. Have any of its partners, officers, employees, or agents serve simultaneously as an officer or director of EQT Corporation or in a decision-making capacity of any EQT Covered Entity.
- B. EQT shall not directly or indirectly, have any of its directors, officers, or agents serve simultaneously in any management capacity within Quantum, any operating entity controlled by Quantum, or any investment fund managed by Quantum;

*Provided, however,* that, unless it otherwise would violate Section 8 of the Clayton Act, 15 U.S.C. § 19, this Order does not preclude an Independent Director of EQT from serving on the board of directors or in a managerial capacity of any Quantum Non-Covered Entity. For purposes of this Section III, Quantum stipulates that the structures of its business associations satisfy the “corporation” and “board of directors” elements of a Section 8 violation.

## **IV. Divestiture of Shares**

**IT IS FURTHER ORDERED** that:

- A. Quantum shall divest all the EQT Shares no later than the Stock Divestiture Deadline;

- B. Quantum shall not divest any of the EQT Shares outside the open market to any entity that is one of the top 7 natural gas producers in the Relevant Area (as determined by the Enverus Production Data) at the time of sale without the prior approval of the Commission; and
- C. Except as required by applicable law, Quantum shall not share with EQT any non-public information regarding its stock position or intent to sell or hold any of the EQT Shares (other than customary cooperation in connection with sales of EQT Shares by Quantum pursuant to the publicly-filed registration rights agreement); *provided, however*, that Quantum may disclose to EQT that Quantum has completed the final sale of all of the Original EQT Shares and any Concurrent Additional EQT Shares; *provided further, however*, that Quantum may disclose its stock position to EQT as necessary to comply with Paragraph V.C.3 of this Order.
- D. Quantum shall not, during the period prior to the divestiture of the EQT Shares:
1. Provide or attempt to provide to EQT Corporation or any EQT Covered Entity any Non-Public Information relating to the operation of any Quantum Covered Entity; and
  2. Seek or obtain access to any Non-Public Information from EQT relating to the operation of EQT Corporation or any EQT Covered Entity, *provided that* inadvertent disclosure to Quantum of EQT Non-Public Information, without EQT's knowledge, through a third party in which Quantum has a non-controlling interest shall not violate this Order.
- E. EQT shall not, during the period prior to the divestiture of the EQT Shares:
1. Provide or attempt to provide to Quantum or any Quantum Covered Entity any Non-Public Information relating to the operation of any EQT Covered Entity. *provided that* inadvertent disclosure to Quantum of EQT Non-Public Information, without EQT's knowledge, through a third party in which Quantum has a non-controlling interest shall not violate this Order; and
  2. Seek or obtain access to any Non-Public Information from Quantum or any Quantum Covered Entity relating to any Quantum Covered Entity;

*Provided, however*, that nothing in Paragraphs IV.D or IV.E shall prevent Quantum and EQT from sharing, subject to Monitor oversight: (i) information only to the extent necessary for EQT and Quantum or any Quantum Covered Entity to execute and to perform any of the agreements or actions that are permitted pursuant to Section VI and Section IX of this Order; or (ii) (x) information in connection with business activities outside of the Relevant Area; (y) information in connection with activities not related to minerals operations or to gas exploration or production; and (z) information to facilitate compliance with any other provision of this Order. Notwithstanding the foregoing, nothing in Paragraphs IV.D or IV.E shall prevent Quantum and EQT from sharing information exchanged pursuant to any transition services related to the

Acquisition Agreement and such information sharing shall be subject to Monitor oversight until the Acquisition Date.

*Provided further* that EQT and Quantum shall, subject to Monitor oversight, reasonably cooperate with each other to facilitate their respective compliance with this Order.

## V. Holding and Voting Shares

**IT IS FURTHER ORDERED** that:

- A. No later than 10 days after the Acquisition Date and after consultation with Commission staff for purposes of conflict and bias, Quantum shall appoint a trustee (“Trustee”) to exercise any voting rights attached to the Original EQT Shares. Quantum shall ensure that the Trustee is independent of Quantum and EQT.
- B. Quantum shall:
  - 1. Grant to the Trustee the sole right to exercise any voting rights attached to the Original EQT Shares; and
  - 2. Direct the Trustee to vote the Original EQT Shares in an amount and in a manner proportional to the vote of all other EQT shareholders entitled to vote on a particular matter; *provided, however*, that unless otherwise required by this Order, Quantum shall not be required to give the Trustee the power and authority to sell the Original EQT Shares.
- C. If Quantum acquires Additional EQT Shares, Quantum:
  - 1. Shall not be required to place such Additional EQT Shares with the Trustee;
  - 2. Shall not be prohibited from holding and disposing such Additional EQT Shares in Quantum’s sole discretion; and
  - 3. Shall vote or cause to be voted such Additional EQT Shares in an amount and in a manner proportional to the vote of all other EQT shareholders entitled to vote on a particular matter.
- D. With respect to the period of time during which Quantum holds any Original EQT Shares or any Additional EQT Shares, Quantum will hold such shares as a passive investor, it being understood that Quantum shall not:
  - 1. Engage in any solicitation of proxies in connection with its EQT shareholder position;
  - 2. Propose corporate action requiring the approval of EQT shareholders; or

3. Knowingly influence, or seek or attempt to influence, directly or indirectly, EQT's management, board of directors, or operations.

## **VI. Prior Approval for Acquisition of Additional Shares**

**IT IS FURTHER ORDERED** that Quantum shall not acquire any Additional EQT Shares without the prior approval of the Commission; *provided, however*, that prior approval is not required:

- A. For any Concurrent Additional EQT Shares that:
  1. Quantum receives, directly or indirectly, as consideration for an acquisition by EQT of Quantum businesses, assets, or companies that (x) operate exclusively outside of the Relevant Area and (y) the acquisition of such shares is reportable, either individually or as part of a larger transaction, pursuant to Section 7A of the Clayton Act, 15 U.S.C. § 18a; or
  2. Quantum receives, directly or indirectly, as consideration for an acquisition by EQT of an entity or assets in which Quantum has a direct or indirect interest, but is not controlled by Quantum.
- B. During the period after Quantum has divested all the EQT Shares, for any Additional EQT Shares that:
  1. Quantum receives, directly or indirectly, as consideration for an acquisition by EQT of Quantum businesses, assets, or companies that operate exclusively outside of the Relevant Area; or
  2. Quantum receives, directly or indirectly, as consideration for an acquisition by EQT of an entity or assets in which Quantum has a direct or indirect interest, but is not controlled by Quantum;

*Provided, however*, that nothing in this Paragraph VI.B shall relieve Quantum from an obligation to comply with Section 7A of the Clayton Act, 15 U.S.C. § 18a, if applicable;

*Provided, further, however* that Quantum shall not invoke the exemption for acquisitions made solely for the purpose of investment (15 U.S.C. §18a(c)(9)) to determine whether such acquisition of EQT shares is reportable under Section 7A of the Clayton Act, 15 U.S.C. § 18a.

## **VII. Other Obligation**

**IT IS FURTHER ORDERED** that during the period prior to the divestiture of the EQT Shares, Quantum shall not, without the prior approval of the Commission, have any of its partners, employees, or agents serve simultaneously as an officer or director of any entity that is



one of the top 7 natural gas producers in the Relevant Area (as determined by the Enverus Production Data) at the time of the nomination or appointment.

### **VIII. Non-Compete Agreement**

**IT IS FURTHER ORDERED** that Quantum and EQT shall not enter into any agreement not to compete with each other, other than in connection with, and ancillary to, the sale of a business, assets, or company.

### **IX. Agreements**

**IT IS FURTHER ORDERED** that during the period prior to the divestiture of all the EQT Shares pursuant to Section IV, Quantum and EQT shall not enter into any agreement or transaction with each other related to the acquisition of mineral rights or natural gas exploration or production in the Relevant Area without either:

- A. Filing a notification pursuant to Section 7A of the Clayton Act, 15 U.S.C. § 18a, if applicable to the agreement or transaction, or
- B. If such a Section 7A notification is not applicable, filing for prior approval of the Commission for such agreement or transaction;

*Provided, however,* that subject to Monitor oversight Quantum and EQT need not obtain prior approval of the Commission to enter into arm's length agreements with each other made in the ordinary course of business, including:

- 1. Land swaps or trades;
- 2. Land and mineral interest transactions up to \$20 million in aggregate value of all such completed transactions for any portfolio company of Quantum;
- 3. Mineral leases (where one party is the owner of minerals and is leasing mineral rights to the other);
- 4. Commercial agreements to provide for the gathering, transport, or sale of hydrocarbons produced by a party;
- 5. Customary asset-level operating agreements, farmout agreements, participation agreements, and assignments (for example, to allow for, or to facilitate, the drilling of undeveloped acreage);
- 6. Commercial customer/supplier agreements to purchase or sell other services from each other; or
- 7. For any fund of Quantum to provide and to perform, at arm's length and in the ordinary course of business, debt, mezzanine, and/or structured financing;

*Provided, however,* that entry into and compliance with any transition services agreement relating to the Acquisition or Acquisition Agreement will not contravene this Section IX or any other provision of this Order.

**X.**

[Intentionally Left Blank]

**XI. Joint Venture Termination**

**IT IS FURTHER ORDERED** that no later than the Acquisition Date, Respondents shall:

- A. Have caused The Mineral Company to distribute its assets to each of Quantum and EQT (save for certain cash retained by The Mineral Company to satisfy final dissolution and windup costs) and discontinue all operations no later than the Acquisition Date other than those taken by the designated liquidator necessary to effect the final dissolution and liquidation of The Mineral Company as promptly as practicable after the Acquisition Date, and
- B. Eliminate any agreement between The Mineral Company, on the one hand, and Quantum and EQT, on the other hand, as to any non-compete agreements and agreements that restrict the ability of such person or entity to operate a natural gas producing business or to work for any entity that conducts a natural gas producing business.

**XII. Monitor**

**IT IS FURTHER ORDERED** that:

- A. The Commission appoints Stout Risius Ross, LLC, through its contractor, Robert Ogle, to serve as Monitor to observe and report on Respondents' compliance with their obligations as set forth in this Order.
- B. Respondents and the Monitor may enter into an agreement relating to the Monitor's services. Any such agreement:
  - 1. Shall be subject to the approval of the Commission;
  - 2. Shall not limit, and the signatories shall not construe it to limit, the terms of this Section XII ("Monitor Section"), and to the extent any provision in the agreement varies from or conflicts with any provision in the Monitor Section, Respondents and the Monitor shall comply with the Monitor Section; and
  - 3. Shall include a provision stating that the agreement does not limit, and the signatories shall not construe it to limit, the terms of this Order in this matter, and

to the extent any provision in the agreement varies from or conflicts with any provision in this Order, Respondents and the Monitor shall comply with this Order.

C. The Monitor shall:

1. Act in consultation with the Commission or its staff;
2. Serve as an independent third party and not as an employee or agent of Respondents or of the Commission;
3. Serve without bond or other security;
4. At the Monitor's option, employ such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;
5. Enter into a non-disclosure or other confidentiality agreement with the Commission related to Commission materials and information received in connection with the performance of the Monitor's duties and require that each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants shall also enter into a non-disclosure or other confidentiality agreement with the Commission;
6. Notify staff of the Commission, in writing, no later than 5 days in advance of entering any arrangement that creates a conflict of interest, or the appearance of a conflict of interest, including a financial, professional, or personal conflict. If the Monitor becomes aware of a such a conflict only after it has arisen, the Monitor shall notify the Commission as soon as the Monitor becomes aware of the conflict;
7. Report in writing to the Commission concerning Respondents' compliance with this Order on a schedule as determined by Commission staff and at any other time requested by Commission staff; and
8. Serve until Commission staff determines that Respondents have satisfied all obligations under Paragraph IV.A. of this Order, and files a final report, unless the Commission or its staff determines otherwise.

D. Respondents shall:

1. Cooperate with and assist the Monitor in performing his or her duties for the purpose of reviewing Respondents' compliance with their obligations under this Order, including as requested by the Monitor, (a) providing the Monitor full and complete access to personnel, information (other than information covered by a

legal privilege), and facilities and (b) making such arrangements with third parties to facilitate access by the Monitor;

2. Not interfere with the ability of the Monitor to perform his or her duties pursuant to this Order;
  3. Pay the Monitor's fees and expenses as set forth in an agreement approved by the Commission, or if such agreement has not been approved, pay the Monitor's customary fees, as well as expenses the Monitor incurs performing his or her duties under this Order, including expenses of any consultants, accountants, attorneys, and other representatives and assistants that are reasonably necessary to assist the Monitor in carrying out his or her duties and responsibilities;
  4. Not require the Monitor to disclose to Respondents the substance of the Monitor's communications with the Commission or any other person or the substance of written reports submitted to the Commission pursuant to this Order; and
  5. Indemnify and hold the Monitor harmless against any loss, claim, damage, liability, and expense (including attorneys' fees and out of pocket costs) that arises out of, or is connected with, a claim concerning the performance of the Monitor's duties under this Order, unless the loss, claim, damage, liability, or expense results from gross negligence or willful misconduct.
- E. Respondents may require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to enter into a customary confidentiality agreement, so long as the agreement does not restrict the Monitor's ability to access personnel, information (other than information covered by a legal privilege), and facilities or provide information to the Commission, or otherwise observe and report on the Respondents' compliance with this Order.
- F. If the Monitor resigns or the Commission determines that the Monitor has ceased to act, has failed to act diligently, or is otherwise unable to continue serving as a Monitor due to the existence of a conflict or other reasons, the Commission may appoint a substitute Monitor. The substitute Monitor shall be afforded all rights, powers, and authorities and shall be subject to all obligations of the Monitor Section of this Order. The Commission shall select the substitute Monitor, subject to the consent of the Respondents.
- Respondents:
1. Shall not unreasonably withhold consent to the appointment of the selected substitute Monitor;
  2. Shall be deemed to have consented to the selection of the proposed substitute Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed substitute Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed substitute Monitor; and

3. May enter into an agreement with the substitute Monitor relating to the substitute Monitor's services that either (a) contains substantially the same terms as the Commission-approved agreement referenced in Paragraph XII.B of this Order; or (b) receives Commission approval.
- G. The Commission may on its own initiative or at the request of the Monitor issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of this Order.

### **XIII. Divestiture Trustee**

**IT IS FURTHER ORDERED** that:

- A. If Quantum has not fully complied with the obligation to divest the relevant EQT Shares as set forth in Appendix A of this Order, the Commission may appoint a trustee ("Divestiture Trustee") to divest the shares in a manner that satisfies the requirements of this Order. In the event that the Commission or the Attorney General brings an action pursuant to § 5(l) of the Federal Trade Commission Act, 15 U.S.C. § 45(l), or any other statute enforced by the Commission, Quantum shall consent to the appointment of a Divestiture Trustee in such action to divest the shares. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under this Section XIII shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(l) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order.
- B. The Commission shall select the Divestiture Trustee, subject to the consent of Quantum which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a person with experience and expertise in the sale of securities. If Quantum has not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within 10 days after notice by the staff of the Commission to Quantum of the identity of any proposed Divestiture Trustee, Quantum shall be deemed to have consented to the selection of the proposed Divestiture Trustee.
- C. Not later than 10 days after the appointment of a Divestiture Trustee, Quantum shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the sale of shares required by this Order. Any failure by Quantum to comply with a trust agreement approved by the Commission shall be a violation of this Order.
- D. If a Divestiture Trustee is appointed by the Commission or a court pursuant to this Section XIII, Quantum shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:

1. The Divestiture Trustee shall have the exclusive power and authority to sell the EQT Shares that are required by this Order to be divested;
2. The Divestiture Trustee shall accomplish the divestiture by the deadline contained in Non-Public Appendix A;
3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities of Quantum related to the relevant shares that are required to be divested by this Order and to any other relevant information, as the Divestiture Trustee may request. Quantum shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Quantum shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestitures. Any delays in divestitures caused by Quantum shall extend the time for divestitures under this Section XIII in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court;
4. The Divestiture Trustee shall use commercially reasonable best efforts to sell the shares for the most favorable price and terms and shall sell the shares on the open market for a market price, subject to Quantum's absolute and unconditional obligation to divest expeditiously and at no minimum price;
5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Quantum, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Quantum, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission of the account of the Divestiture Trustee, including fees for the Divestiture Trustee's services, all remaining monies shall be paid at the direction of Quantum, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant shares that are required to be divested by this Order;
6. Quantum shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence or willful misconduct by the Divestiture Trustee;

7. The Divestiture Trustee shall report in writing to Quantum and to the Commission every 30 days concerning the Divestiture Trustee's efforts to accomplish the divestiture; and
8. Quantum may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement,

*Provided, however,* that such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.

- E. The Commission may, among other things, require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign an appropriate confidentiality agreement related to Commission materials and information received in connection with the performance of the Divestiture Trustee's duties.
- F. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in this Section XIII.
- G. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestitures and other obligations or action required by this Order.

#### **XIV. Order Distribution**

**IT IS FURTHER ORDERED** that no later than 10 days after this Order is issued, Respondents shall send a copy of this Order, the Complaint, and the Analysis to Aid Public Comment by first class mail with delivery confirmation or electronic mail with delivery confirmation to, or through any electronic portal customarily used for dissemination of documents to members of boards of directors to:

- A. Each of their respective members of the board of directors and officers; and
- B. For a period of 5 years after this Order is issued, each new board member, officer, and director no later than 10 days after an individual becomes a board member, officer, or director;

*Provided, however,* that EQT need only provide the notices contemplated by (i) this Paragraph XIV.A to EQT Corporation and EQT Covered Entities, and (ii) this Paragraph XIV.B to members of the board of directors and officers of EQT Corporation.

## **XV. Antitrust Compliance Training**

**IT IS FURTHER ORDERED** that Quantum shall design, maintain, and operate an antitrust compliance program to ensure compliance with this Order and the Antitrust Laws, and as part of such program shall:

- A. No later than 30 days from the date this Order is issued, appoint an Antitrust Compliance Officer to supervise Quantum's antitrust compliance program (Quantum may replace the Antitrust Compliance Officer at any time);
- B. Provide in-person or online training concerning Quantum's obligations under this Order and an overview of the Antitrust Laws as they apply to Quantum's activities to any person with managerial responsibility at QEP Partners, LP:
  - 1. No later than 60 days after this Order is issued;
  - 2. No later than 30 days after an employee first becomes a person with managerial responsibility at QEP Partners, LP; and
  - 3. At least annually.
- C. Maintain policies and procedures for:
  - 1. Managerial personnel to ask questions about, and report violations of, this Order and the Antitrust Laws confidentially and without fear of retaliation of any kind;
  - 2. Providing discipline for managerial employees for failure to comply with this Order and the Antitrust Laws; and
  - 3. The retention of records sufficient to document Quantum's compliance with its obligations under this Section XV, including records showing that managerial personnel have received all trainings required under this Order during the preceding two years.

## **XVI. Compliance Reports**

**IT IS FURTHER ORDERED** that:

- A. No later than 5 days after its occurrence, Respondents shall notify Commission staff via email at [bccompliance@ftc.gov](mailto:bccompliance@ftc.gov) of:
  - 1. The Acquisition Date; and
  - 2. The date on which they completed the dissolution required by Section XI of this Order.



- B. No later than 5 days after its occurrence, Quantum shall notify Commission staff via email at [bccompliance@ftc.gov](mailto:bccompliance@ftc.gov) of the date on which it has:
1. Completed the divestiture of its holdings in EQT required by Paragraph IV.A of this Order; and
  2. Acquired any EQT Shares for which prior approval by the Commission is not required pursuant to Section VI of this Order.
- C. Respondents shall each submit verified written reports (“compliance reports”) in accordance with the following:
1. Respondent Quantum shall submit interim compliance reports 30 days after this Order is issued and every 60 days thereafter for one year;
  2. Respondent EQT shall submit interim compliance reports 30 days after this Order is issued and every 60 days thereafter for one year.
  3. Each Respondent shall submit:
    - (a) Annual compliance reports one year after the date this Order is issued and annually thereafter for the next nine years on the anniversary of that date; and
    - (b) Additional compliance reports as the Commission or its staff may request.
  4. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with the Order. Conclusory statements that Respondents have complied with their obligations under the Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, a full description of the measures Respondents have implemented or plan to implement to ensure that they have complied or will comply with each section of this Order.
  5. For a period of 5 years after filing a compliance report, each Respondent shall retain all material written communications with each party identified in each compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondent’s obligations under this Order during the period covered by such compliance report. Respondents shall provide copies of these documents to Commission staff upon request.
- D. Respondents shall have each compliance report verified under penalty of perjury in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. If the compliance report is verified by someone other than the Chief Executive Officer, Respondents shall include

documentation in the compliance report establishing that the verifier is authorized to verify the compliance report on behalf of the submitting Respondent. Respondents shall file their compliance reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov, as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a). In addition, Respondents shall provide a copy of each compliance report to the Monitor if the Commission has appointed one in this matter.

## **XVII. Change in Respondents**

**IT IS FURTHER ORDERED** that Respondent Quantum and Respondent EQT:

- A. Shall each notify the Commission at least 30 days prior to:
  - 1. The proposed dissolution of Quantum Energy Partners VI, LP, Q-TH Appalachia (VI) Investment Partners LLC, or EQT Corporation, respectively;
  - 2. The proposed acquisition, merger, or consolidation of Quantum Energy Partners VI, LP, Q-TH Appalachia (VI) Investment Partners LLC, or EQT Corporation, respectively; or
  - 3. Any other change in Quantum or EQT, respectively, including assignment and the creation, sale, or dissolution of subsidiaries, if such changes may affect compliance obligations arising out of the Order; and
- B. No later than 10 days after Quantum Energy Partners VI, LP, Q-TH Appalachia (VI) Investment Partners LLC, QEP Partners LP, or EQT Corporation files a petition for bankruptcy, respectively.

## **XVIII. Access**

**IT IS FURTHER ORDERED** that for purposes of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and 5 days' notice to the relevant Respondent, made to its principal place of business as identified in this Order, registered office of its United States subsidiary, or its headquarters office, the notified Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

- A. Access, during business office hours of the Respondent and in the presence of counsel, to all facilities and access to inspect and copy all business and other records and all documentary material and electronically stored information as defined in Commission Rules 2.7(a)(1) and (2), 16 C.F.R. § 2.7(a)(1) and (2), in the possession or under the control of the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at the request of the authorized representative of the Commission and at the expense of the Respondent; and

- B. To interview officers, directors, or employees of the Respondent, who may have counsel present, regarding such matters.

### **XIX. Purpose**

**IT IS FURTHER ORDERED** that the purpose of this Order is to ensure that Quantum and EQT are operated independently of, and in competition with, each other, and to remedy the harm alleged in the Commission's Complaint.

### **XX. Term**

**IT IS FURTHER ORDERED** that this Order shall terminate 10 years from the date it is issued.

By the Commission.

April J. Tabor  
Secretary

SEAL:  
ISSUED: October 10, 2023

**Non-Public Appendix A**

[REDACTED]