

Risk Factors Comparison 2025-02-28 to 2024-02-28 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

An investment in our Common Stock is subject to risks inherent in our business. The material risks and uncertainties that management believes **currently** affect Ameris are described below. Before making an investment decision, you should carefully consider the risks and uncertainties described below, together with all of the other information included or incorporated by reference in this Annual Report. The risks and uncertainties described below are not the only ones facing the Company. Additional risks and uncertainties that management is not aware of or focused on or that management currently deems immaterial may also impair the Company's business operations. This Annual Report is qualified in its entirety by these risk factors. If any of the following risks or uncertainties actually occurs, the Company's financial condition and results of operations could be materially and adversely affected. If this were to happen, the value of the Common Stock could decline significantly, and you could lose all or part of your investment. ~~RISKS RELATED TO OUR COMPANY AND INDUSTRY-- driven products and services. Our future success may depend, in part, on our ability to use technology competitively to provide products and services that provide convenience to customers and create additional efficiencies in our operations. Our growth and financial performance may be negatively impacted if we are unable to successfully execute our growth plans, including with respect to any strategic acquisitions we may choose to pursue. Economic conditions and other factors, such as our ability to identify appropriate markets for expansion, our ability to recruit and retain qualified personnel, our ability to fund earning asset growth at a reasonable and profitable level, sufficient capital to support our growth initiatives, competitive factors and banking laws, will impact our success. We may seek to supplement our internal growth through acquisitions. We cannot predict with certainty the number, size or timing of acquisitions, or whether any such acquisitions will occur at all. Our acquisition efforts have traditionally focused on targeted banking entities in markets in which we currently operate and markets in which we believe we can compete effectively, as well as non-bank entities that we feel can successfully supplement our existing lines of business.~~ However, as consolidation of the financial services industry continues, the competition for suitable acquisition candidates may increase. We may compete with other financial services companies for ~~both bank and non-bank~~ acquisition opportunities, and many of these competitors have greater financial resources than we do and may be able to pay more for an acquisition than we are able or willing to pay. We also may need additional debt or equity financing in the future to fund acquisitions. We may not be able to obtain additional financing or, if available, it may not be in amounts and on terms acceptable to us. If we are unable to locate suitable acquisition candidates willing to sell on terms acceptable to us, or we are otherwise unable to obtain additional debt or equity financing necessary for us to continue making acquisitions, we would be required to find other methods to grow our business and we may not grow at the same rate we have in the past, or at all. Generally, we must receive federal regulatory approval before we can acquire a bank or bank holding company. In determining whether to approve a proposed bank acquisition, federal bank regulators will consider, among other factors, the effect of the acquisition on the competition, financial condition and future prospects. The regulators also review current and projected capital ratios and levels, the competence, experience and integrity of management and its record of compliance with laws and regulations, the convenience and needs of the communities to be served (including both institutions' CRA performance history), and the effectiveness of the acquiring institution in combating money laundering activities. We cannot be certain when or if, or on what terms and conditions, any required regulatory approvals will be granted. We may also be required to sell banks or branches as a condition to receiving regulatory approval, which condition may not be acceptable to us or, if acceptable to us, may reduce the benefits of any acquisition. In the past, we have utilized de novo branching in new and existing markets as a way to supplement our growth. De novo branching and any acquisition carry with it numerous risks, including the following: • the inability to obtain all required regulatory approvals; • significant costs and anticipated operating losses associated with establishing a de novo branch or a new bank; • the inability to secure the services of qualified senior management; • the local market may not accept the services of a new bank owned and managed by a bank holding company headquartered outside of the market area of the new bank; • economic downturns in the new market; • the inability to obtain attractive locations within a new market at a reasonable cost; and • the additional strain on management resources and internal systems and controls. We have experienced to some extent many of these risks with our de novo branching to date. **We rely on dividends from** ~~Changes in the policies of monetary authorities and other -- the government action could~~ **Bank for most of our revenue. Ameris is a separate and distinct legal entity from its subsidiaries. It receives substantially all of its revenue from dividends from the Bank. These dividends are the principal source of funds to pay dividends on the Common Stock and interest and principal on the Company's debt. Various federal and state laws and regulations limit the amount of dividends that the Bank may pay to the Company. Also, the Company's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors. In the event the Bank is unable to pay dividends to the Company, the Company may not be able to service debt, pay obligations or pay dividends on the Common Stock and its business, financial condition and results of operations may be** ~~materially adversely affect affected.~~ **Consequently, cash-based activities, including further investments in the Bank, our -- or in support of profitability. Banking is a business which depends on interest rate differentials for success. In general, the difference between the interest paid by a bank on its deposits and its other -- the Bank, could require** ~~our --~~ **borrowings or additional issuances of common or preferred stock** Our revenues are highly correlated to market interest rates. Our assets and liabilities are primarily monetary in nature, and as a result, we are subject to significant risks tied to changes in interest rates. Our ability to operate profitably is largely dependent upon net interest income. In ~~2023-~~ **2024**, net interest income made up ~~77-74.~~ **53** % of our revenue. Unexpected movement in interest rates, that

may or may not change the slope of the current yield curve, could cause our net interest margins to decrease, subsequently decreasing net interest income. In addition, such changes could materially adversely affect the valuation of our assets and liabilities. At present our one- year interest rate sensitivity position is asset sensitive, such that a gradual increase in interest rates during the next twelve months should have a positive impact on net interest income during that period. However, as with most financial institutions, our results of operations are affected by changes in interest rates and our ability to manage this risk. The difference between interest rates charged on interest- earning assets and interest rates paid on interest- bearing liabilities may be affected by changes in market interest rates, changes in relationships between interest rate indices, and changes in the relationships between long- term and short- term market interest rates. In addition, the mix of assets and liabilities could change as varying levels of market interest rates might present our customer base with more attractive options. Certain changes in interest rates, inflation, deflation or the financial markets could affect demand for our products and our ability to deliver products efficiently. Loan originations, and potentially loan revenues, could be materially adversely impacted by sharply rising interest rates. Conversely, sharply falling rates could increase prepayments within our **loan and securities portfolio portfolios** lowering interest earnings from those **assets and** investments. Rising inflation could cause our operating costs related to salaries and benefits, technology and supplies to increase at a faster pace than our revenues. Recently, inflation has been at a higher level than experienced in many decades, which has increased costs and impacted operations for the Company and many of its customers. The fair market value of our securities portfolio and the investment income from these securities also fluctuate depending on general economic and market conditions. In addition, actual net investment income and / or cash flows from investments that carry prepayment risk, such as mortgage- backed and other asset- backed securities, may differ from those anticipated at the time of investment as a result of interest rate fluctuations. Our capital position could be adversely impacted by declines in the fair market value of our securities portfolio. **If we lose or are unable to grow and retain our deposits, we may be subject to liquidity risk and higher funding costs. We require liquidity to meet our deposit and debt obligations as they come due. Our access concentration of real estate loans subjects the Company to risks funding sources in amounts adequate to finance our activities or on terms that are acceptable to us could be impaired by factors that affect us specifically or the financial services industry or economy generally. Factors that could materially reduce our access to liquidity sources include a downturn in the economy in the southeastern United States, difficult credit markets or adversely-- adverse regulatory actions against us. Our access to deposits may also be affect-affected by the liquidity needs of our depositors. A substantial majority of our liabilities are demand, savings, interest checking and money market deposits, which are payable on demand our- or results upon several days' notice, while by comparison, a substantial portion of operations our assets are loans, which cannot be called or sold in the same timeframe. We may not be able to replace maturing deposits and advances as necessary in the future, especially if a large number of our depositors sought to withdraw their accounts, regardless of the reason. Our access to deposits may be negatively impacted by, among other factors, periods of low interest rates or higher interest rates which could promote increased competition for deposits, including from new financial technology competitors, condition. The majority of our- or loan portfolio is secured by real estate provide customers with alternative investment options. Additionally, including commercial and negative news about us or the banking industrial industry in , construction and commercial real estate mortgage loans. These types of loans are generally-- general could negatively impact market viewed as having more risk of default and / are typically larger than residential real estate loans or consumer loans. Because our- or loan portfolio contains customer perceptions of the Company, which could lead to a significant number of commercial and industrial,..... performing loans have resulted in a net loss of depositor confidence and earnings from particular loans, an increase in credit loss expense and deposit withdrawals, particularly among those with uninsured deposits. Furthermore, as banking organizations experienced in recent years, the failure of other financial institutions may cause deposit outflows as customers spread deposits among several different banks so as to maximize their amount of FDIC insurance, move deposits to banks deemed " too big to fail " or remove deposits from the banking system entirely. As of December 31, 2024, approximately 46. 8 % of our deposits were uninsured, an and we rely on increase in loan charge- offs, and these and future instances deposits for liquidity. A failure to maintain adequate liquidity could have a material adverse effect on our business, financial condition and results of operations . We face additional risks due to our mortgage banking activities that could negatively impact our liquidity and earnings. One of our primary business operations is mortgage banking, in connection with which residential mortgage loans are sold by the Bank in the secondary market under agreements that contain representations and warranties related to, among other things, the origination and characteristics of the mortgage loans. The sale of these loans generates noninterest income and can be a source of liquidity for the Bank. Disruption in the market for residential mortgage loans as well as declines in real estate values, among other economic variables, could lead to one or more of the following: • rising interest rates causing a decline in mortgage originations, which could negatively impact our earnings; • reductions in real estate values could decrease the potential for mortgage originations, which could negatively impact our earnings; • our inability to sell mortgage loans on the secondary market could negatively impact our liquidity position; • if it is determined that loans were made in breach of our representations and warranties to the secondary market, we could incur significant losses associated with the loans, including requirements to either repurchase the outstanding principal balance of a loan or make the purchaser whole for the anticipated economic benefits of a loan; and • increased compliance requirements could result in higher compliance costs, higher foreclosure proceedings or lower loan origination volume, all which could negatively impact future earnings. We rely on dividends from the Bank for most of our revenue. Ameris is a separate and distinct legal entity from its subsidiaries. It receives substantially all of its revenue from dividends from the Bank. These dividends are the principal source of funds to pay dividends on the Common Stock and interest and principal on the Company' s debt. Various federal and state laws and regulations limit the amount of dividends that the Bank may pay to the Company. Also, the Company' s right to participate in a distribution of assets**

upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors. In the event the Bank is unable to pay dividends to the Company, the Company may not be able to service debt, pay obligations or pay dividends on the Common Stock and its business, financial condition and results of operations may be materially adversely affected. Consequently, cash-based activities, including further investments in the Bank or in support of the Bank, could require borrowings or additional issuances of common or preferred stock. Our allowance for credit losses may be insufficient. We maintain allowances for credit losses on loans, securities and off-balance sheet credit exposures. In the case of loans and securities, allowances for credit losses are contra-asset valuation accounts that are deducted from the amortized cost basis of these assets to present the net amount expected to be collected. In the case of off-balance-sheet credit exposures, the allowance for credit losses is a liability account reported as a component of accrued interest payable and other liabilities in our consolidated balance sheets. The amount of each allowance account represents management's best estimate of current expected credit losses on these financial instruments considering available information, from internal and external sources, relevant to assessing exposure to credit loss over the contractual term of the instrument. Relevant available information includes historical credit loss experience, current conditions and reasonable and supportable forecasts. As a result, the determination of the appropriate level of allowance for credit losses inherently involves a high degree of subjectivity and requires us to make significant estimates related to current and expected future credit risks and trends, all of which may undergo material changes. Deterioration in economic conditions, including the possibility of a recession, affecting borrowers and securities issuers; inflation; rising interest rates; new information regarding existing loans, credit commitments and securities holdings; natural disasters and risks related to climate change; and identification of additional problem loans, ratings downgrades and other factors, both within and outside of our control, may require an increase in the allowances for credit losses on loans, securities and off-balance sheet credit exposures. In addition, bank regulatory agencies periodically review our allowance for credit losses and may require an increase in credit loss expense or the recognition of further loan charge-offs, based on judgments different than those of management. Furthermore, if any charge-offs related to loans, securities or off-balance sheet credit exposures in future periods exceed our allowances for credit losses on loans, securities or off-balance sheet credit exposures, we will need to recognize additional credit loss expense to increase the applicable allowance. Any increase in the allowance for credit losses on loans, securities and / or off-balance sheet credit exposures will result in a decrease in net income and, possibly, capital, and may have a material adverse effect on our business, financial condition and results of operations. We are subject to risk arising from..... financial condition and results of operations. Unrealized losses in our securities portfolio could affect liquidity. As market interest rates have increased, we have experienced unrealized losses on our available for sale securities portfolio. Unrealized losses related to available for sale securities are reflected in accumulated other comprehensive income in our consolidated balance sheets and reduce the level of our book capital and tangible common equity. However, such unrealized losses do not affect our regulatory capital ratios. We actively monitor our available for sale securities portfolio and do not currently anticipate the need to realize material losses from the sale of securities for liquidity purposes. Furthermore, we believe it is unlikely that we would be required to sell any such securities before recovery of their amortized cost bases, which may be at maturity. Nonetheless, our access to liquidity sources could be affected by unrealized losses if securities must be sold at a loss; tangible capital ratios continue to decline from an increase in unrealized losses or realized credit losses; the FHLB or other funding sources reduce capacity; or bank regulators impose restrictions on us that impact the level of interest rates we may pay on deposits or our ability to access brokered deposits. Additionally, significant unrealized losses could negatively impact market and / or customer perceptions of the Company, which could lead to a loss of depositor confidence and an increase in deposit withdrawals, particularly among those with uninsured deposits. We may need to rely on the financial markets to provide needed capital. Our Common Stock is listed and traded on the New York Stock Exchange (the "NYSE"). If the liquidity of the NYSE market should fail to operate at a time when we may seek to raise equity capital, or if conditions in the capital markets are adverse, we may be constrained in raising capital. Downgrades in the opinions of the analysts that follow our Company may cause our stock price to fall and significantly limit our ability to access the markets for additional capital. Should these risks materialize, our ability to further expand our operations through internal growth or acquisition may be limited. We may be unable to pay dividends on our Common Stock. Holders of our Common Stock are only entitled to receive such dividends as our Board may declare out of funds legally available for such payments. Although we have consistently paid dividends on our Common Stock in recent years, the payment of dividends could be suspended at any time. We may borrow funds or issue additional debt and equity securities or securities convertible into equity securities, any of which may be senior to our Common Stock as to distributions and in liquidation, which could negatively affect the value of our Common Stock. In the future, we may attempt to increase our capital resources by entering into debt or debt-like financing that is unsecured or secured by all or up to all of our assets, or by issuing additional debt or equity securities, which could include issuances of secured or unsecured commercial paper, medium-term notes, senior notes, subordinated notes, preferred stock, common stock or securities convertible into or exchangeable for equity securities. In the event of our liquidation, our lenders and holders of our debt and preferred securities would receive a distribution of our available assets before distributions to the holders of our Common Stock. Because our decision to incur debt and issue securities in our future offerings will depend on market conditions and other factors beyond our control, we cannot predict or estimate with certainty the amount, timing or nature of our future offerings and debt financings. Further, market conditions could require us to accept less favorable terms for the issuance of our securities in the future. In addition, the borrowing of funds or issuance of debt would increase our leverage and decrease our liquidity, and the issuance of additional equity securities would dilute the interests of our existing shareholders. Holders of the Company's debt obligations and any shares of the Company's preferred stock that may be outstanding in the future will have priority over the Company's common stock with respect to payment in the event of liquidation, dissolution or winding up and

with respect to the payment of interest and preferred dividends. In the event of any winding up and termination of the Company, our Common Stock would rank below all claims of the holders of the Company's debt and any preferred stock then outstanding. As of December 31, 2024, we had outstanding trust preferred securities and accompanying junior subordinated debentures with a carrying value of \$ 132.3 million and other subordinated notes payable with a carrying value of \$ 108.8 million. Upon the winding up and termination of the Company, holders of our Common Stock will not be entitled to receive any payment or other distribution of assets until after all of our obligations to our debt holders have been satisfied and holders of our senior debt, subordinated debt and junior subordinated debentures issued in connection with trust preferred securities have received any payments and other distributions due to them. In addition, we are required to pay interest on our senior debt, subordinated debt and junior subordinated debentures issued in connection with the Company's trust preferred securities before we pay any dividends on our Common Stock.

Operational Risk Cyberattacks or other security breaches could have a material adverse effect on our business. In the normal course of business, we collect, process and retain sensitive and confidential information regarding our customers. We also have arrangements in place with other third parties through which we share and receive information about their customers who are or may become our customers. Although we devote significant resources and management focus to ensuring the integrity of our systems through information security and business continuity programs, our facilities and systems, and those of third-party service providers, are vulnerable to external or internal security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming or human errors or other similar events. Additionally, information security may be adversely affected by the current or anticipated impact of military conflict, including the current wars in Ukraine and Israel, acts of terrorism or other geopolitical events. Information security risks for financial institutions like us continue to increase in part because of new technologies, the use of the Internet and telecommunications technologies (including mobile devices) to conduct financial and other business transactions and the increased sophistication and activities of organized crime, perpetrators of fraud, hackers, terrorists and others. In addition to cyberattacks or other security breaches involving the theft of sensitive and confidential information, hackers continue to engage in attacks against financial institutions. These attacks include denial of service attacks designed to disrupt external customer facing services and ransomware attacks designed to deny organizations access to key internal resources or systems. We are not able to anticipate or implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently and because attacks can originate from a wide variety of sources. We employ detection and response mechanisms designed to contain and mitigate security incidents, but early detection may be thwarted by sophisticated attacks and malware designed to avoid detection. We rely heavily on communications and information systems to conduct our business. Accordingly, we also face risks related to cyberattacks and other security breaches in connection with our own and third-party systems, processes and data, including credit and debit card transactions that typically involve the transmission of sensitive information regarding our customers through various third parties, including merchant acquiring banks, payment processors, payment card networks (e. g., Visa, MasterCard) and our processors. Some of these parties have in the past been the target of security breaches and cyberattacks, and because the transactions involve third parties and environments such as the point of sale that we do not control or secure, future security breaches or cyberattacks affecting any of these third parties could impact us through no fault of our own, and in some cases we may have exposure and suffer losses for breaches or attacks relating to them. We also rely on numerous other third-party service providers to conduct other aspects of our business operations and face similar risks relating to them. While we conduct security reviews on these third parties, we cannot be sure that their information security protocols are sufficient to withstand a cyberattack or other security breach. The access by unauthorized persons to, or the improper disclosure by us of, confidential information regarding our customers or our own proprietary information, software, methodologies and business secrets could result in significant legal and financial exposure, supervisory liability, damage to our reputation or a loss of confidence in the security of our systems, products and services, which could have a material adverse effect on our business, financial condition or results of operations. In addition, our industry continues to experience well-publicized attacks or breaches affecting others in our industry that have heightened concern by consumers generally about the security of using credit and debit cards, which have caused some consumers, including our customers, to use our credit and debit cards less in favor of alternative methods of payment and has led to increased regulatory focus on, and potentially new regulations relating to, these methods. Further cyberattacks or other breaches in the future, whether affecting us or others, could intensify consumer concern and regulatory focus and result in reduced use of our cards, increased costs and regulatory penalties, all of which could have a material adverse effect on our business. To the extent we are involved in any future cyberattacks or other breaches, our brand and reputation could be affected, which could also have a material adverse effect on our business, financial condition or results of operations.

We face risks related to our operational, technological and organizational infrastructure. Our ability to grow and compete is dependent on our ability to build or acquire the necessary operational and technological infrastructure and to manage the cost of that infrastructure while we expand. Similar to other large corporations, in our case, operational risk can manifest itself in many ways, such as errors related to failed or inadequate processes, faulty or disabled computer systems, fraud by employees or persons outside of our Company and exposure to external events. We are dependent on our operational infrastructure to help manage these risks. In addition, we are heavily dependent on the strength and capability of our technology systems which we use both to interface with our customers and to manage our internal financial and other systems. Our ability to develop and deliver new products that meet the needs of our existing customers and attract new customers depends in part on the functionality of our technology systems. Additionally, our ability to run our business in compliance with applicable laws and regulations is dependent on these infrastructures. We continuously monitor our operational and technological capabilities and make modifications and improvements when we believe it will be cost effective to do so. In some instances, we may build and maintain these capabilities ourselves. We also outsource some of these functions to third parties. These third parties may experience errors or disruptions that

could adversely impact us and over which we may have limited control. We also face risk from the integration of new infrastructure platforms and / or new third party providers of such platforms into our existing businesses. Fraud remains an elevated risk for us and for all banks, and we may experience increased losses due to fraud. In recent years, fraud risk has continued to be a significant risk for us and for all banks. Card fraud and deposit fraud (such as check kiting and wire fraud) continue to be significant sources of fraud attempts and losses in our consumer banking business. Moreover, our commercial clients have experienced increased levels of financial fraud risk as well, often requiring our involvement and assistance because of our banking relationship with these clients. The methods used to perpetrate and combat fraud continue to evolve as technology changes and more tools for access to financial services emerge, such as real-time payments. In addition to cybersecurity risks, new techniques have made it easier for bad actors to obtain and use client personal information, mimic signatures and otherwise create false documents that look genuine. Fraud schemes are broad and can include debit card / credit card fraud, check fraud, mechanical devices attached to ATM machines, social engineering and phishing attacks to obtain personal information, impersonation of our clients through the use of falsified or stolen credentials, employee fraud, information fraud and other malfeasance. Criminals are regularly turning to new sources to steal personally identifiable information in order to impersonate our clients to commit fraud. Our regulators require us to report fraud promptly, and regulators often advise banks of new schemes to enable the entire industry to adapt as quickly as possible. However, some level of fraud loss is unavoidable, and the risk of loss cannot be eliminated. Our anti-fraud actions are both preventative (anticipating lines of attack, educating employees and clients, and implementing operational changes) and responsive (remediating attacks). We have established policies, processes and procedures designed to identify, measure, monitor, mitigate, report and analyze these risks. We continue to invest in systems, resources and controls designed to detect and prevent fraud. There are inherent limitations, however, to risk management strategies, systems and controls as they may exist, or develop in the future. We may not appropriately anticipate, monitor or identify these risks. If our risk management framework proves ineffective, we could suffer unexpected losses, we may have to expend resources detecting and correcting the failure in our systems, and we may be subject to potential claims from third parties and government agencies. We may also suffer reputational damage. Any of these consequences could adversely affect our business, financial condition or results of operations. If our enterprise risk management framework is not effective at mitigating risk and loss to us, we could suffer unexpected losses and our results of operations could be materially adversely affected. Our enterprise risk management framework seeks to achieve an appropriate balance between risk and return, which is critical to optimizing shareholder value. We have established processes and procedures intended to identify, measure, monitor, report and analyze the types of risk to which we are subject, including strategic, market, credit, liquidity, capital, cybersecurity, operational, regulatory compliance and litigation, among others. However, as with any risk management framework, there are inherent limitations to our risk management strategies as there may exist, or develop in the future, risks that we have not appropriately anticipated or identified. If our risk management framework proves ineffective, we could suffer unexpected losses and our business and results of operations could be materially adversely affected. We rely on other companies to provide key components of our business infrastructure. Third parties provide key components of our business operations such as our core technology infrastructure, cloud-based operations, data processing, recording and monitoring transactions, online banking interfaces and services, internet connections and network access. We have selected these third-party vendors carefully and have conducted the due diligence consistent with regulatory guidance and best practices. While we have ongoing programs to review third-party vendors and assess risk, we do not control their actions. Any problems caused by these third parties, including those resulting from disruptions in communication services provided by a vendor, issues at a third-party vendor of a vendor, failure of a vendor to handle current or higher volumes, cyberattacks and security breaches at a vendor, failure of a vendor to provide services for any reason, or poor performance of services, could adversely affect our ability to deliver products and services to our clients and otherwise conduct our business. Financial or operational difficulties of a third-party vendor could also hurt our operations if those difficulties interfere with the vendor's ability to serve us. Furthermore, our vendors could also be sources of operational and information security risk to us, including from breakdowns or failures of their own systems or capacity constraints. Replacing these third-party vendors could also create significant delay and expense. Accordingly, use of such third parties creates an unavoidable inherent risk to our business operations. Our digital services growth initiatives, core technology upgrades and digital asset initiatives constitute specific increases in third-party risk as such initiatives are distinctly dependent on the performance of our third-party partners. The adoption of artificial intelligence tools by us and our third-party vendors and service providers may increase the risk of errors, omissions, unfair treatment or fraudulent behavior by our employees, clients or counterparties, or other third parties. Our adoption of artificial intelligence, including generative artificial intelligence, machine learning and similar tools and technologies that collect, aggregate, analyze or generate data or other materials or content (collectively, "AI"), for limited internal use has increased our efficiency, and we expect to continue to adopt such tools as appropriate. In addition, we expect our third-party vendors and service providers to increasingly develop and incorporate AI into their product offerings faster than we are able to do so independently. There are significant risks involved in utilizing AI and no assurance can be provided that our or our third-party vendors' or service providers' use of AI will enhance our or our third-party vendors' or service providers' products or services or produce the intended results. The adoption and incorporation of such tools can lead to concerns around safety and soundness, fair access to financial services, fair treatment of consumers and compliance with applicable laws and regulations. Such risk can result from models being poorly designed or faulty data being used, inadequate model testing or validation, narrow or limited human oversight, inadequate planning or due diligence, inappropriate or controversial data practices by developers or end-users, and other factors adversely affecting

could negatively impact our earnings; • if it is determined that loans were made in breach of our representations and warranties to the secondary market, we could incur losses associated with the loans; and • increased compliance **Compliance Risk** requirements could result in higher compliance costs, higher foreclosure proceedings or lower loan origination volume, all which could negatively impact future earnings. Legislation and regulatory proposals, **including those** enacted in response to market and economic **and political** conditions, may materially adversely affect our business and results of operations. The banking industry is heavily regulated. We are subject to examinations, supervision and comprehensive regulation by various federal and state agencies. Our compliance with these regulations is costly and restricts certain of our activities. Banking regulations are primarily intended to protect the broader banking system, the FDIC's Deposit Insurance Fund and depositors, not shareholders. The burden imposed by federal and state regulations puts banks at a competitive disadvantage compared to less regulated competitors such as finance companies, mortgage banking companies and leasing companies. In addition, from time to time, various legislative and regulatory initiatives are introduced in Congress and state legislatures, or by regulatory agencies, that may impact the Company or the Bank. Such initiatives may include proposals to expand or contract the powers of bank holding companies and depository institutions or proposals to substantially change the financial institution regulatory system. Such legislation could change the operating environment of Ameris in substantial and unpredictable ways. If enacted, such legislation could increase or decrease the cost of doing business, limit or expand permissible activities or affect the competitive balance among banks, savings associations, credit unions and other financial institutions. The Company cannot predict whether any such legislation will be enacted, and, if enacted, the effect that it, or any implementing regulations, would have on the financial condition or results of operations of the Company. A change in statutes, regulations or regulatory policies applicable to the Company or the Bank could have a material effect on the business of the Company. **Moreover,** Our growth and financial performance may be negatively impacted if we are unable to successfully execute -- **expect** our growth plans. Economic conditions and other -- **the Trump administration will seek** factors, such as our ability to **implement** identify appropriate markets for expansion, our ability to recruit and retain qualified personnel, our ability to fund earning asset growth at a reasonable and profitable level **regulatory reform agenda that is significantly different than that of the Biden administration**, **impacting the rulemaking** sufficient capital to support our growth initiatives, competitive factors **supervision, examination** and **enforcement priorities of the federal** banking **agencies** laws, will impact our success..... **additional issuances of common or preferred stock**. We are subject to **extensive** regulation **and supervision** by various federal and state entities. We are subject to the regulations of the SEC, the Federal Reserve, the FDIC, the GDBF, the CFPB and other governmental agencies and regulatory bodies. New regulations issued by these agencies may adversely affect our ability to carry on our business activities. We are **also** subject to **various numerous** federal and state laws **and certain changes in these laws and regulations may adversely affect our operations**. Noncompliance with certain of these **laws and** regulations may impact our business plans, including our ability to branch, **complete acquisitions**, offer certain products or **services or** execute existing or planned business strategies. **In recent years, the Company and other large financial institutions have become subject to increased scrutiny, more intense supervision and regulation, and more supervisory findings and actions, with increased operational costs, as well as impacts on geographic expansion and acquisitions. The financial services industry also continues to face a stricter and more aggressive interpretation and enforcement of laws and regulations at federal, state and local levels, particularly in connection with business and other practices that may harm or appear to harm consumers or affect the financial system more broadly. Financial institutions often are less inclined to litigate with governmental authorities because of the regulatory and supervisory framework. The Company expects that its businesses will remain subject to extensive regulation and supervision. Any potential new laws or regulations or modifications to existing laws or regulations would likely necessitate changes to the Company's existing regulatory compliance and risk management infrastructure.** We are also subject to the accounting rules and regulations of the SEC and the Financial Accounting Standards Board. Changes in accounting rules could materially adversely affect the reported financial statements or our results of operations and may also require extraordinary efforts or additional costs to implement. Any of these **laws rules** or regulations may be modified or changed from time to time, and we cannot be assured that such modifications or changes will not adversely affect us. We are **may become** subject to **enforcement actions even though noncompliance was inadvertent** industry competition which may have an impact upon our **or success unintentional**. **The** Our profitability depends on our ability to compete successfully. We operate in a highly competitive financial services environment. **Industry is subject to intense scrutiny from bank supervisors in the examination process and aggressive enforcement of federal and state regulations, particularly with respect to mortgage-related practices and other consumer compliance matters, and compliance with anti-money laundering, BSA and OFAC regulations, and economic sanctions against** **Certain certain foreign countries** competitors are larger and **nationals**. **Enforcement actions** may have more resources be initiated for **violations of laws and regulations and unsafe or unsound practices. We maintain systems and procedures designed to ensure** than that we **comply** do. We face competition in our regional market areas from other commercial banks, savings and loan associations, credit unions, internet banks, mortgage companies, finance companies, mutual funds, insurance companies, brokerage and investment banking firms, and other financial intermediaries that offer similar services. Some of our nonbank competitors are not subject to the same extensive regulations that govern us or our bank subsidiary and may have greater flexibility in competing for business. Another competitive factor is that the financial services market, including banking services, is undergoing rapid changes with frequent introductions of new technology-driven products and services. Our future success may depend, in part, on our ability to use technology competitively to provide products and services that provide convenience to customers and create additional efficiencies in our operations. Changes in the policies of monetary authorities and other government action could materially adversely affect our profitability. Banking is a business which depends on interest rate differentials for success. In general, the difference between the interest paid by a bank on its deposits and its other borrowings, and the interest received by a bank on its loans and securities holdings, constitutes the major portion of a bank's

earnings. Thus, our earnings and growth will be subject to the influence of economic conditions generally, both domestic and foreign, and also to the monetary and fiscal policies of the United States government and its agencies, particularly the Federal Reserve. The Federal Reserve administers monetary policy by setting target interest rates that it attempts to effect, primarily through open market dealings in United States government securities. The Federal Reserve also may specifically target banking institutions through the discount rate at which banks may borrow from the Federal Reserve Banks and the reserve requirements on deposits. The nature and timing of any changes in such policies and their effect on Ameris cannot be known at this time, but could adversely affect our results of operations. Fiscal policy, the other principal tool of the federal government to oversee the national economy is largely in the hands of Congress through its authority to make taxation and budget decisions, subject to Presidential approval. These decisions may have a significant impact on the economic sectors in which we operate and could adversely affect our results of operations. We may need to rely on the financial markets to provide needed capital. Our Common Stock is listed and traded on the Nasdaq Global Select Market (“Nasdaq”). If the liquidity of the Nasdaq market should fail to operate at a time when we may seek to raise equity capital, or if conditions in the capital markets are adverse, we may be constrained in raising capital. Downgrades in the opinions of the analysts that follow our Company may cause our stock price to fall and significantly limit our ability to access the markets for additional capital. Should these risks materialize, our ability to further expand our operations through internal growth or acquisition may be limited. We may invest or spend the proceeds in stock offerings in ways with which you may not agree and in ways that may not earn a profit. We may choose to use the proceeds of future stock offerings for general corporate purposes, including for possible acquisition opportunities that may become available. It is not known whether suitable acquisition opportunities may become available or whether we will be able to successfully complete any such acquisitions. We may use the proceeds of an offering only to focus on sustaining our organic, or internal, growth or for other purposes. In addition, we may use all or a portion of the proceeds of an offering to support our capital. You may not agree with the ways we decide to use the proceeds of any stock offerings, and our use of the proceeds may not yield any profits. We face risks related to our operational, technological and organizational infrastructure. Our ability to grow and compete is dependent on our ability to build or acquire the necessary operational and technological infrastructure and to manage the cost of that infrastructure while we expand. Similar to other large corporations, in our case, operational risk can manifest itself in many ways, such as errors related to failed or inadequate processes, faulty or disabled computer systems, fraud by employees or persons outside of our Company and exposure to external events. We are dependent on our operational infrastructure to help manage these risks. In addition, we are heavily dependent on the strength and capability of our technology systems which we use both to interface with our customers and to manage our internal financial and other systems. Our ability to develop and deliver new products that meet the needs of our existing customers and attract new customers depends in part on the functionality of our technology systems. Additionally, our ability to run our business in compliance with applicable laws and regulations ; however, some legal and regulatory frameworks provide for the imposition of fines or penalties for noncompliance even though the noncompliance was inadvertent or unintentional and even though there were systems and procedures designed to ensure compliance in place at the time. The Bank is dependent subject to additional requirements included in the consent order entered into with the DOJ concerning our Jacksonville, Florida market. On October 19, 2023, the Bank entered into a consent order with the DOJ that resolved alleged violations of fair lending laws in the Jacksonville, Florida metropolitan area from 2016 to 2021. The consent order was approved by the U. S. District Court for the Middle District of Florida on November 7, 2023. Under these terms of the consent order, in addition to complying with various obligations of an administrative nature, the Bank will provide \$ 7. 5 million in mortgage loan subsidies over a five- year period in Majority Black and Hispanic Census Tracts (“ MBHCTs ”) in Jacksonville and improvements when will also commit, for the same five- year period in the Jacksonville MBHCT communities, \$ 900, 000 for focused advertising and outreach and \$ 600, 000 for community development partnerships providing services related to credit, financial education, homeownership and foreclosure prevention. In addition, the Bank will open a new full- service branch in a Jacksonville MBHCT community. The settlement includes no civil penalties levied against Ameris. Although we believe it are committed to full compliance with the consent order, achieving such compliance will require significant management attention from be cost effective to do so. In some instances, we may build and maintain these capabilities ourselves. We also outsource some of these functions to third parties. These third parties may experience errors or disruptions that could adversely impact us and over which we may have limited control cause the Company to incur unanticipated costs and expenses . We also face risk Actions taken to achieve compliance with the consent order may affect our financial performance and may require us to reallocate resources away from the integration of new infrastructure platforms and /or new third party providers of such platforms into our existing businesses . Financial or to undertake significant changes to our businesses, operations, products and services companies depend , and risk management practices. In addition, Ameris and the Bank could be subject to other enforcement or adverse regulatory actions or constraints relating to the alleged violations resolved by the consent order. Any of these results could have a material and adverse effect on the accuracy and completeness of information about customers and counterparties. In deciding whether to extend credit or our enter into business, results of operations, financial condition, cash flows and stock price. We may be a defendant from time to time in a variety of litigation and other transactions actions , which the Company may rely on information furnished by or on behalf of customers and counterparties, including financial statements, credit reports and other financial information. The Company may also rely on representations of those customers, counterparties or other third parties, such as independent auditors, as to the accuracy and completeness of that information. Reliance on inaccurate or misleading financial statements, credit reports or other financial information could have a material adverse effect on our financial condition, results of operations and cash flows. We may be involved from time to time in a variety of litigation matters arising out of our business. Our insurance may not cover all claims that may be asserted against us, and any

claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. Should the ultimate judgments or settlements in any litigation exceed our insurance coverage, they could have a material adverse effect on our financial condition, results of operations and cash flows. In addition, we may not be able to obtain appropriate types or levels of insurance in the future or obtain adequate replacement policies with acceptable terms. We could be subject to changes in tax laws, regulations and interpretations or challenges to our income tax provision. We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. Any change in enacted tax laws, rules or regulatory or judicial interpretations, or any change in the pronouncements relating to accounting for income taxes, could adversely affect our effective tax rate, tax payments and results of operations. The taxing authorities in the jurisdictions in which we operate may challenge our tax positions, which could increase our effective tax rate and harm our financial position and results of operations. We are subject to audit and review by U. S. federal and state tax authorities. Any adverse outcome of such a review or audit could have a negative effect on our financial position and results of operations. In addition, changes in enacted tax laws, such as adoption of a lower income tax rate in any of the jurisdictions in which we operate, could impact our ability to obtain the future tax benefits represented by our deferred tax assets. Also, the determination of our provision for income taxes and other liabilities requires significant judgment by management. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our financial statements and could have a material adverse effect on our financial results in the period or periods for which such determination is made.

Market and General Risk Our business is highly correlated to local economic conditions in a geographically concentrated part of the United States. Unlike larger organizations that are more geographically diversified, our banking offices are primarily concentrated in select markets in Georgia, Alabama, Florida, North Carolina and South Carolina. As a result of this geographic concentration, our financial results depend largely upon economic conditions in these market areas. Deterioration in economic conditions in the markets we serve could result in one or more of the following: an increase in loan delinquencies; an increase in problem assets and foreclosures; a decrease in the demand for our products and services; and a decrease in the value of collateral for loans, especially real estate, in turn reducing customers' borrowing power, the value of assets associated with problem loans and collateral coverage. Our concentration of real estate loans subjects the Company significant number of commercial and industrial, construction and commercial real estate loans with relatively large balances, the deterioration of one or a few of these loans could cause a significant increase in non-performing loans. Declines in real estate values could cause the revenue stream from those loans to come under stress and require additional provision to the allowance for loan losses. In addition, our ability to dispose of foreclosed real estate and resolve credit quality issues is dependent upon real estate activity and real estate prices, both of which can be highly unpredictable. Increases in non-performing loans have resulted in a net loss outside the borrower's control, such as adverse conditions in the real estate market or the economy or changes in government regulations. Also in recent years, high vacancy rates in commercial properties may affect the value of commercial real estate, including markets have been particularly impacted by causing the value economic disruption resulting from the COVID-19 pandemic, which has also been a catalyst for the evolution of various remote work options that could impact the long-term performance of some types of office properties securing within our commercial real estate portfolio loans to be less than the amounts owed on such loans. Accordingly, Elevated interest rates also may make it more difficult for borrowers to refinance maturing loans. Any of these or other events could increase the level of defaults on federal banking regulatory agencies have expressed concerns about weaknesses in the current commercial real estate market loans and result in higher credit losses to the Company.

Failures in our risk management policies, procedures and controls could adversely affect our ability to manage this portfolio going forward and could result in an increased rate of delinquencies in, and increased losses from, this portfolio which, accordingly, Any of these results could have a material and adverse effect on our business and, in turn, the Company's financial condition and results of operations. Damage to our Reputational-- reputation could significantly harm risk and social factors may impact our results. Our ability to originate business, including our competitive position and maintain accounts is highly business prospects. We are dependent upon customer on our reputation within our market area, as a trusted and other external perceptions responsible financial services company, for all aspects of our business practices, with customers, employees, vendors, third-party service providers and our others with whom we conduct business. Negative public opinion about the financial services industry generally health. Adverse perceptions regarding our business practices or our financial health could damage our reputation in both the customer and funding markets, including leading to difficulties in generating and maintaining accounts as well as in financing them. Adverse developments with respect to the types consumer or other external perceptions regarding the practices of banking products and services we provide, our- or us specifically could competitors, or our industry as a whole, may also adversely impact affect our reputation and our ability to keep and attract customers and employees. In addition, adverse reputational impacts on third parties with whom we have important relationships may also adversely impact our reputation. Our actual Adverse impacts on our- or perceived failure reputation; or the reputation of our industry, may also result in greater regulatory or legislative scrutiny, which may lead to address various issues could give laws, regulations or regulatory actions that may change or constrain the manner in which we engage with our customers and the products we offer. Adverse reputational impacts or events may also increase our litigation risk rise to negative public opinion. We carefully monitor internal and external developments for areas of potential reputational risk that could cause harm and have established governance structures to assist in evaluating such us and our business prospects. These issues include, but are not limited to, legal and regulatory requirements; properly maintaining customer and employee personal information; record keeping; money-laundering; sales and trading practices; ethical issues; appropriately addressing potential conflicts of interest; and the proper identification of legal, credit, liquidity, market and other risks inherent in our products. Failure to appropriately address any of business practices and decisions, but we cannot be certain that our efforts will completely mitigate these issues could also give rise to additional regulatory

restrictions and legal risks. We may not be able to attract and retain skilled people. The Company's success depends, **which** in large part, on its ability to attract and retain key people. Competition for the best people in most activities engaged in by the Company can be intense, and the Company may not be able to hire people or to retain them. The unexpected loss of services of one or more of the Company's key personnel could have a material adverse impact on the Company's business because of their skills, **among** knowledge of the Company's market, years of industry experience and the difficulty of promptly finding qualified replacement personnel. We engage in acquisitions of other **consequences** businesses from time to time. These acquisitions may not produce revenue or earnings enhancements or cost savings at levels or within timeframes originally anticipated and may result in unforeseen integration difficulties. When appropriate opportunities arise, **increase** we will engage in acquisitions of other **the size** businesses. Difficulty in integrating an **and** acquired business **number of litigation claims and damages asserted** or company may **subject us to enforcement actions, fines and penalties and** cause us not to **incur related** realize expected revenue increases, cost **costs** savings and expenses. **In addition**, increases in geographic or product presence or **the proliferation of social media websites utilized by us and** other anticipated benefits from any acquisition. The integration **third parties, as well as the personal use of social media by our employees and others, including personal blogs and social network profiles, also may increase the risk that negative, inappropriate or unauthorized information may be posted or released publicly that** could **harm** result in higher than expected deposit attrition (run-off), loss of key employees, disruption of our business or **our reputation** the business of the acquired company, or otherwise adversely affect our **or have** ability to maintain relationships with customers and employees or achieve the **other negative consequences, including** anticipated benefits of the acquisition. We will likely need to make additional investments in equipment and personnel to manage higher asset levels and loan balances as a result of **our employees interacting with our customers in any** **an unauthorized manner in various social media outlets. Any damage to our reputation could affect our ability to retain and develop the business relationships necessary to conduct business, which in turn could negatively impact our financial condition, results of operations and the market price of our Common Stock. Inflationary pressures and rising prices could negatively impact our business, our profitability and our stock price. Inflation rose significant significantly in recent years to levels not seen in decades. Although inflation has moderated somewhat, the economic outlook remains uncertain and the impact of inflation continues to persist. Prolonged periods of inflation may impact our profitability by negatively impacting our fixed costs and expenses, including increasing funding costs and expense related to talent acquisition and retention**, and negatively impacting the demand for our products and services. Additionally, rising inflation may lead to a decrease in consumer and client purchasing power and negatively affect the need or demand for our products and services. If inflation persists, our business could be negatively affected by, among other things, **increased default rates leading to credit losses** which may materially **could decrease our appetite for new credit extensions. These inflationary pressures could** adversely impact our earnings. Also, **potentially causing** the negative effect of any divestitures required by regulatory authorities in acquisitions or **our stock price** business combinations may be greater than expected. Depending on the condition of any institution that we may acquire, any acquisition may, at least in the near term, materially adversely affect our capital and earnings and, if not successfully integrated following the acquisition, may continue to **suffer** have such effects. Natural disasters, geopolitical events, public health crises and other catastrophic events beyond our control could adversely affect us. Natural disasters such as hurricanes, tropical storms, floods, wildfires, extreme weather conditions and other acts of nature, geopolitical events such as those involving civil unrest, changes in government regimes, terrorism or military conflict, pandemics and other public health crises, and other catastrophic events could adversely affect our business operations and those of our customers, counterparties and service providers, and cause substantial damage and loss to real and personal property, including damage to or destruction of mortgaged properties or our own banking facilities and offices. Natural disasters, geopolitical events, public health crises and other catastrophic events, or concerns about the occurrence of any such events, could impair our borrowers' ability to service their loans, decrease the level and duration of deposits by customers, erode the value of loan collateral, including mortgaged properties, result in an increase in the amount of our non-performing loans and a higher level of non-performing assets, including real estate owned, net charge-offs and provision for loan losses, lead to other operational difficulties and impair our ability to manage our business, which could materially and adversely affect our business, financial condition, results of operations and the value of our common stock. We also could be adversely affected if our key personnel or a significant number of our employees were to become unavailable due to a public health crisis (such as an outbreak of a contagious disease), natural disaster, war, act of terrorism, accident or other reason. Additionally, financial markets may be adversely affected by the current or anticipated impact of military conflict, **including the current wars in Ukraine and Israel**, acts of terrorism or other geopolitical events. **RISKS RELATED TO OUR COMMON STOCK** The **stock price of financial institutions, like Ameris, can be volatile. The volatility in the stock prices of companies in the financial services industry, such as Ameris, may make it more difficult for shareholders to resell** our Common Stock is volatile and may decline at attractive prices in a timely manner. The trading **Our stock price can** of our Common Stock may fluctuate widely **significantly** in response to a variety of factors, including factors affecting the financial industry as a result of a number of **whole, such as the bank failures that occurred in March 2023. Specific factors affecting financial**, many of which are outside our control. In addition, the stock **stocks generally** market is subject to fluctuations in the share prices and trading volumes that affect the market prices of the shares of many companies. These broad market fluctuations have adversely affected and may continue to adversely affect the market price of our Common Stock. Among the factors that could affect our stock price **are in particular may include the following**: • actual or anticipated **variations** quarterly fluctuations in **earnings** our operating results and financial condition; • changes in **analysts'** revenue or earnings estimates or publication of research reports and recommendations by financial analysts or actions taken by rating agencies with respect to our **or securities** or those **projections; • operating and stock performance** of other financial institutions **companies deemed to be our peers; • perception in the marketplace regarding the Company, our competitors or the industry as a whole; • significant**

acquisitions or business combinations involving the Company or our competitors; • changes in government regulation; • failure to integrate acquisitions meet analysts' revenue or earnings estimates realize anticipated benefits from acquisitions; and • speculation in volatility affecting the press financial markets in general. General market fluctuations, the potential or for breakdowns on electronic trading investment community, or in social media; • strategic actions by us or our or competitors, such as acquisitions or restructurings; • actions by institutional shareholders; • the soundness of other financial institutions; • fluctuations in the platforms for executing securities transactions, industry factors and general economic and political conditions could also cause our stock price and to decrease regardless of operating results of our competitors; •

general market conditions and, in particular, developments related to market conditions for the financial services industry; • proposed or adopted regulatory changes or developments, including changes in accounting rules; • government intervention in the U. S. financial system; • proposed or adopted changes or developments in tax policies or rates; • anticipated or pending investigations, proceedings or litigation that involve or affect us; and • domestic and international economic or financial services industry factors unrelated to our performance. A significant decline in our stock price could result in substantial losses for individual shareholders and could lead to costly and disruptive securities litigation. Securities issued by us, including our Common Stock, are not FDIC insured. Securities issued by us, including our Common Stock, are not savings or deposit accounts or other obligations of any bank and are not insured by the FDIC, the Deposit Insurance Fund or any other governmental agency or instrumentality, or any private insurer, and are subject to investment risk, including the possible loss of principal. Holders of the Company's debt obligations and any shares of the Company's preferred stock that may be outstanding in the future will have priority over the Company's common stock with respect to payment in the event of liquidation, dissolution or winding up and with respect to the payment of interest and preferred dividends. In the event of any winding up and termination of the Company, our Common Stock would rank below all claims of the holders of the Company's debt and any preferred stock then outstanding. As of December 31, 2023, we had outstanding trust preferred securities and accompanying junior subordinated debentures with a carrying value of \$ 130.3 million and other subordinated notes payable with a carrying value of \$ 291.4 million. Upon the winding up and termination of the Company, holders of our Common Stock will not be entitled to receive any payment or other distribution of assets until after all of our obligations to our debt holders have been satisfied and holders of our senior debt, subordinated debt and junior subordinated debentures issued in connection with trust preferred securities have received any payments and other distributions due to them. In addition, we are required to pay interest on our senior debt, subordinated debt and junior subordinated debentures issued in connection with the Company's trust preferred securities before we pay any dividends on our Common Stock. We may borrow funds or issue additional debt and equity securities or securities convertible into equity securities, any of which may be senior to our Common Stock as to distributions and in liquidation, which could negatively affect the value of our Common Stock. In the future, we may attempt to increase our capital resources by entering into debt or debt-like financing that is unsecured or secured by all or up to all of our assets, or by issuing additional debt or equity securities, which could include issuances of secured or unsecured commercial paper, medium-term notes, senior notes, subordinated notes, preferred stock, common stock or securities convertible into or exchangeable for equity securities. In the event of our liquidation, our lenders and holders of our debt and preferred securities would receive a distribution of our available assets before distributions to the holders of our Common Stock. Because our decision to incur debt and issue securities in our future offerings will depend on market conditions and other factors beyond our control, we cannot predict or estimate with certainty the amount, timing or nature of our future offerings and debt financings. Further, market conditions could require us to accept less favorable terms for the issuance of our securities in the future. In addition, the borrowing of funds or issuance of debt would increase our leverage and decrease our liquidity, and the issuance of additional equity securities would dilute the interests of our existing shareholders. You may not receive dividends on the Common Stock. Holders of our Common Stock are only entitled to receive such dividends as our Board may declare out of funds legally available for such payments. Although we have consistently paid dividends on our Common Stock in recent years, the payment of dividends could be suspended at any time. Sales of a significant number of shares of our Common Stock in the public markets, or the perception of such sales, could depress the market price of our Common Stock. Sales of a substantial number of shares of our Common Stock in the public markets and the availability of those shares for sale could adversely affect the market price of our Common Stock. In addition, future issuances of equity securities, including pursuant to outstanding options, could dilute the interests of our existing shareholders and could cause the market price of our Common Stock to decline. We may issue such additional equity or convertible securities to raise additional capital. Depending on the amount offered and the levels at which we offer the stock, issuances of common or preferred stock could be substantially dilutive to shareholders of our Common Stock. Moreover, to the extent that we issue restricted stock, phantom shares, stock appreciation rights, options or warrants to purchase our Common Stock in the future and those stock appreciation rights, options or warrants are exercised or as shares of the restricted stock vest, our shareholders may experience further dilution. Holders of our shares of Common Stock have no preemptive rights that entitle holders to purchase their pro rata share of any offering of shares of any class or series and, therefore, such sales or offerings could result in increased dilution to our shareholders. We cannot predict with certainty the effect that future sales of our Common Stock would have on the market price of our Common Stock.