Risk Factors Comparison 2024-02-27 to 2023-02-28 Form: 10-K

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You should carefully consider the risks described below, as well as other information contained in this **Annual** ~~report~~ **Report on Form 10- K**, including the **audited** consolidated financial statements **contained in Part II, Item 8 (the " Consolidated Financial Statements ")** and the notes thereto and " Management' s Discussion and Analysis of Financial Condition and Results of Operations. " The occurrence of any of the events discussed below could significantly and adversely affect our business, prospects, results of operations, financial condition, and cash flows. Risks Related to Our Business and Industry Changes in economic conditions and consumer confidence in the U. S. could materially adversely affect our business. Our operations and the scope of services we provide are affected by changes in the macro- economic situation in the United States, which has a direct impact on consumer confidence and spending patterns. A number of key macro- economic factors, such as ~~rising~~ **high** interest rates, inflation and unemployment, could have a negative effect on consumer habits and spending, and lead to lower demand for fuel and other products sold at our convenience stores and gas stations. The U. S. economy has continued to experience inflationary pressures, which reduce consumer purchasing power. If this trend continues or increases, it could negatively impact demand and seasonal travel patterns, which could reduce future sales volumes. Significant negative developments in the macro- economic environment in the United States could have a material adverse effect on our business, financial condition and results of operations. If ~~we do~~ **our acquisitions are** not ~~make acquisitions~~ on economically acceptable terms, our future growth may be ~~limited~~ **negatively impacted**. Furthermore, any acquisitions we complete are subject to substantial risks that could result in losses. Our ability to grow depends ~~substantially~~ **, in part,** on our ability to make ~~acquisitions. We intend to expand our retail business, independent dealer distribution network and fleet fueling network through~~ acquisitions. However, we may be unable to take advantage of accretive opportunities for any of the following reasons: • We are unable to identify attractive acquisition opportunities; • We are outbid by competitors; • We are unable to reach an agreement regarding the terms of pursued acquisitions; • We are unable to raise financing for such acquisitions on economically acceptable terms; or • We may be limited in our ability to acquire new sites due to antitrust regulations, and regulators may require that we effect divestitures as a condition to completing certain acquisitions. Any such required divestitures may be on economically unattractive terms, which could result in losses or otherwise reduce the overall economic value of certain acquisitions. If ~~we~~ **our acquisitions** are ~~unable to make acquisitions~~ **not on economically acceptable terms**, our future growth ~~will~~ **may** be ~~limited~~ **negatively impacted**. In addition, if we complete any future acquisitions, our capitalization and results of operations may change significantly. We may complete acquisitions, which, contrary to our expectations, ultimately prove to not be accretive. If any of these events were to occur, our future growth would be limited. We may make acquisitions that we believe are beneficial, which ultimately result in negative financial consequences. Any acquisition involves potential risks, including, among other things: ~~• We may not be able to successfully integrate the businesses we acquire;~~ • We may not be able to achieve the anticipated synergies and financial improvements from the acquired businesses; • We may not be able to retain key personnel from the acquired businesses; • We may be unable to discover material liabilities of businesses that we acquire until after the completion of the relevant acquisition; • We rely on data from the businesses that we acquire and there may be real or perceived inaccuracies in this data; • Acquisitions may divert the attention of ~~senior~~ management from focusing on our day- to- day operations; • We may experience a decrease in liquidity resulting from our use of a significant portion of cash available for investment or borrowing capacity to finance acquisitions; • Substantial investments in financial controls, information systems, management resources and human resources may be required in order to support future growth; • We may have difficulties in obtaining the required approvals, permits, licenses and consents for the acquired sites or new lines of business; • We may have difficulties complying with regulatory requirements related to financial reporting; and • We may incur additional environmental liabilities and risk ~~when acquiring transportation~~ **from the acquired** assets. We may be unable to successfully integrate acquired operations or otherwise realize the expected benefits from our acquisitions, which could adversely affect the expected benefits from our acquisitions and our results of operations and financial condition. Any acquisition involves the integration of the business of two companies that have previously operated independently. The difficulties of combining the operations of the two businesses include: ~~•~~ integrating personnel with diverse business backgrounds; ~~•~~ familiarizing employees with new systems; ~~•~~ converting customers to new loyalty platforms; and ~~•~~ combining different corporate cultures. The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of the business, and the loss of key personnel or customers. The diversion of management' s attention and any delay or difficulty encountered in connection with the integration of the two companies' operations could have an adverse effect on our business and results of operations. The success of our acquisitions ~~will depend~~ **depends**, in part, on our ability to realize the anticipated benefits from combining the acquired business with ours. If we are unable to successfully integrate an acquired business, the anticipated benefits of such acquisition may not be realized fully or may take longer to realize than expected which could have a material adverse effect on our business, financial condition and results of operations. For example, we may fail to realize the anticipated increase in earnings anticipated to be derived from an acquisition or the synergies expected, or there could be higher expenses related to the acquired business than expected. In addition, as with any acquisition, a significant decline in asset valuations or cash flows may also cause us not to realize expected benefits. Our future growth depends on our ability to successfully implement our ~~organic~~ growth strategies, a part of which consists of upgrading and remodeling our convenience stores. A part of our ~~organic~~ growth strategy consists of functional and full remodeling of our convenience stores in order to improve customers' shopping experience by offering high- quality, convenient and efficient facilities. Such upgrades and remodeling projects, regardless of scale, entail significant risks, including shortages of materials or skilled labor, unforeseen engineering, environmental and / or geological problems, work stoppages, weather interference, unanticipated cost increases and non- availability of construction equipment. Such risks, in addition to potential difficulties in obtaining any required licenses and permits, could lead to significant cost increases and substantial delays in the opening of the remodeled convenience stores. In certain instances, these factors have led to ~~certain~~ delays and increased costs for our projects and although we believe we are successfully navigating these challenges, there can be no assurance that we will be able to achieve our growth targets by successfully implementing this strategy. ~~Labor, raw materials and building supply shortages and price fluctuations in the construction industry could delay or increase the costs of store upgrades and remodels and our maintenance capital expenditures, which could adversely affect our operating results. We rely on many raw materials and skilled labor for store upgrades and remodels and our routine maintenance capital expenditures. The construction industry has, from time to time, experienced labor and raw material shortages and has been adversely affected by volatility in global commodity prices. In particular, shortages and fluctuations in the prices for labor, concrete, steel, drywall, lumber or other important raw materials could result in the continuance of the delays in the start or completion of, or further increases to the cost of, our store upgrades and remodels or routine maintenance expenditures, which in turn could have a material adverse effect on our business, financial condition and results of operations.~~ Significant changes in current consumption of cigarettes and other tobacco products and related regulations and litigation could materially adversely affect our business. Cigarettes and other tobacco products, which accounted for approximately 8 % of our total revenues for the year ended December 31, ~~2022~~ **2023**, are a significant revenue source for us. Significant increases in wholesale cigarette and other tobacco product prices, current and future tobacco legislation, including restrictions or bans on flavored **and menthol** tobacco products and related advertising, national, state and local campaigns to discourage smoking, a decrease in the consumption of cigarettes **, increases in retail cigarette prices**, lawsuits against manufacturers and retailers of cigarettes and other tobacco products, reductions in manufacturer rebates for the purchase of tobacco products and increases in, and new, taxes on cigarettes and other tobacco products could have a material adverse effect on the demand for tobacco products and, in turn, on our financial condition and results of operations. ~~Specifically, in 2022 there were multiple price increases for cigarettes which may result in a loss of customers in the future. Additionally, there may be additional increases in cigarette prices in the future.~~ Our financial condition and results of operations are influenced by changes in the wholesale prices of motor fuel, which may materially adversely impact our sales, operations, customers' financial condition and the availability of trade credit. During the year ended December 31, ~~2022~~ **2023**, fuel sales were approximately ~~81~~ **79** % of our total revenues and approximately ~~48~~ **46** % of our combined fuel, merchandise and other income margin. Generally, our retail fuel inventory on hand turns quickly in the ordinary course of our business. Our operating results are influenced by prices for motor fuel, variable retail margins and the market for such products. Crude oil and domestic wholesale motor fuel markets are volatile. General political conditions, acts of war or terrorism and instability in oil producing regions, particularly in the Middle East, Russia, Africa and South America, such as the ongoing war between Russia and Ukraine, could significantly affect crude oil supplies and wholesale fuel prices. Significant increases and volatility in wholesale fuel prices could result in substantial increases in the retail price of motor fuel products, lower fuel gross margin per gallon, lower demand for such products and lower sales to ~~consumers~~ **customers** and ~~independent~~ dealers. This volatility makes it extremely difficult to predict the impact future wholesale cost fluctuations will have on our financial condition and results of operations. Increases in fuel prices generally compress retail fuel margin because fuel costs typically increase faster than retailers are able to pass them along to customers. In addition, when prices for motor fuel rise, some of our ~~independent~~ dealers may have insufficient credit to purchase motor fuel from us at their historical volumes. Furthermore, when motor fuel prices decrease, so do prompt payment incentives, which are generally calculated as a percentage of the total purchase price of the motor fuel distributed. Additionally, because the interchange fees we pay when credit cards are used to make purchases are based on transaction amounts, higher fuel prices at the pump result in higher credit card expenses. These additional fees increase operating expenses. Additionally, when diesel fuel prices rise, this results in higher truck shipping costs which causes shippers to consider alternative means for transporting freight, which may reduce trucking business and, in turn, may reduce our fuel sales volume. High diesel fuel prices may also cause our trucking customers to seek cost savings throughout their businesses, including measures which reduce total fuel consumption and may in turn reduce our fuel sales volume. Finally, higher prices for motor fuel may reduce our access to trade credit or worsen the terms under which such credit is available to us, which could have a material adverse effect on our financial condition and results of operations ~~. Beginning in the third quarter of 2022, we make use of derivative commodity instruments to manage risks associated with an immaterial amount of gallons designed to offset changes in the price of fuel that are directly tied to firm commitments to purchase diesel fuel. As such, the Company is subject to the risk that its fuel derivative instruments will no longer qualify for hedge accounting under applicable accounting standards, which can create additional earnings volatility. Adjustments in the Company' s overall fuel hedging strategy, as well as the ability of the commodities used in fuel hedging to qualify for special hedge accounting, could affect the Company' s results of operations. In addition, there can be no assurance that the Company will be able to cost-effectively hedge against changes in diesel fuel prices. The Company' s fuel hedging arrangements and the various potential impacts of hedge accounting on the Company' s financial position, cash flows, and results of operations are discussed in more detail under " Management' s Discussion and Analysis of Financial Condition and Results of Operations, " " Quantitative and Qualitative Disclosures About Market Risk, " and in Note 2 and Note 21 to the consolidated financial statements contained in this Annual Report on Form 10- K~~. Significant changes in demand for fuel- based modes of transportation and for trucking services could materially adversely affect our business. The road transportation fuel and convenience business is generally driven by consumer preferences, growth of road traffic, demand for trucking services, and trends in travel and tourism. Automotive, industrial and power generation manufacturers are developing more fuel- efficient engines, hybrid engines, electric vehicles and alternative clean power systems. In ~~2022~~ **2023**, ~~all~~ electric vehicles accounted for approximately ~~5~~ **7**. ~~8~~ **6** % of all light vehicle sales in the United States. In addition, truck and other vehicle manufacturers and our customers continue to focus on ways to improve motor vehicle fuel efficiency and conserve fuel, including use of truck platooning, or the electronic linking of trucks with a lead vehicle, heat and kinetic energy recovery technologies, substantially lighter " super trucks " and higher efficiency motor fuels. Demand for trucking services in the United States generally reflects the amount of commercial activity in the U. S. economy. When the U. S. economy declines, demand for goods moved by trucks usually declines, and in turn demand for diesel fuel supplied by our fleet fueling segment typically declines, which could significantly harm our results of operations and financial condition. A number of key factors could impact current customer behavior and trends with respect to road transportation and fuel consumption. These include new technologies providing increased access to non- fuel dependent means of transportation, legislation and regulations focused on fuel efficiency and lower fuel consumption, and the public' s general approach with regard to climate change and the effects of greenhouse gas emissions. Significant developments in any of the above- listed factors could lead to substantial changes in the demand for petroleum- based fuel and have a material adverse effect on our business, financial condition and results of operations. We operate in a highly competitive, fragmented industry characterized by many similar competing products and services, and our inability to successfully compete could have a material adverse effect on our business. We compete with other convenience stores, gas stations, large and small food retailers, quick service restaurants and dollar stores, as well as companies that provide delivered fuels. Because all such competitors offer products and services that are very similar to those offered by us, a number of key factors determine our ability to successfully compete in the marketplace. These include the location of stores, competitive pricing, convenient access routes, the quality, configuration and efficiency of stores and fueling facilities, and a high level of service. In particular, many large convenience store chains have expanded their number of locations and remodeled their existing locations in recent years, enhancing their competitive position. In addition, some of our competitors have greater financial resources and scale than us, which may provide them with competitive advantages in negotiating fuel and other supply arrangements. Our inability to successfully compete in the marketplace by continuously meeting customer requirements concerning price, quality and service level could have a material adverse effect on our business, financial condition and results of operations. Negative events or developments associated with branded motor fuel suppliers could have a material adverse impact on our revenues. The success of our operations is dependent, in part, on the continuing favorable reputation, market value and name recognition associated with the motor fuel brands sold at our gas stations and ~~cardlock locations and~~ to ~~independent~~ dealers. An event which adversely affects the value of those brands could have a negative impact on the volumes of motor fuel we distribute, which in turn could have a material adverse effect on our business, financial condition and results of operations. We depend on several principal suppliers for our ~~gross~~ fuel purchases and two principal suppliers for merchandise. A failure by a principal supplier to renew its supply agreement, a disruption in supply or an unexpected change in supplier relationships could have a material adverse effect on our business. We depend on several principal suppliers for our ~~gross~~ fuel purchases. Our fuel supply agreements expire on various dates through June 2032. If any of our principal suppliers elects not to renew its contracts with us, we may be unable to replace the volume of motor fuel we currently purchase from such supplier on similar terms or at all. We rely upon our suppliers to timely provide the volumes and types of motor fuels for which they contract. We purchase motor fuels from a variety of suppliers under term contracts. In times of extreme market demand, supply disruption or as a result of futures market and geopolitical conditions, we may be unable to acquire enough fuel, including diesel fuel in particular, to satisfy the demand of our customers. Any disruption in supply or a significant change in our relationship with our principal fuel suppliers could have a material adverse effect on our business, financial condition and results of operations. We depend on two major vendors to supply a majority of our in- store merchandise. ~~Due to driver shortages and supply chain disruptions, manufacturers and our suppliers have been experiencing shortages and shipping delays of both fuel and merchandise.~~ A significant disruption or operational failure affecting the operations of our suppliers, including their ability to provide timely deliveries, could materially impact the availability, quality and price of products sold at our convenience stores and cardlock locations, cause us to incur substantial unanticipated costs and expenses, and adversely affect our business, financial condition and results of operations. A portion of our revenue is generated under fuel supply agreements with ~~independent~~ dealers that must be renegotiated or replaced periodically. If we are unable to successfully renegotiate or replace these agreements, then our results of operations and financial condition could be adversely affected. A portion of our revenue is generated under fuel supply agreements with ~~independent~~ dealers. As these supply agreements expire, they must be renegotiated or replaced. Our fuel supply agreements generally have an initial term of 10 years and, as of December 31, ~~2022~~ **2023** , had a volume- weighted average remaining term of approximately 5. ~~3~~ **1** years. Our ~~independent~~ dealers have no obligation to renew their fuel supply agreements with us on similar terms or at all. We may be unable to renegotiate or replace our fuel supply agreements when they expire, and the terms of any renegotiated fuel supply agreements may not be as favorable as the terms of the agreements they replace. Whether these fuel supply agreements are successfully renegotiated or replaced is frequently subject to factors beyond our control. Such factors include fluctuations in motor fuel prices, **a** ~~an independent~~ dealer' s ability to pay for or accept the contracted volumes and a competitive marketplace for the services offered by us. If we cannot successfully renegotiate or replace our fuel supply agreements, or must renegotiate or replace them on less favorable terms, revenues from these agreements could decline and our results of operations and financial condition could be adversely affected. The retail sale, distribution, transportation and storage of motor fuels is subject to environmental protection and operational safety laws and regulations that may expose us or our customers to significant costs and liabilities, which could have a material adverse effect on our business. We and our facilities and operations are subject to various federal, state and local environmental, health and safety laws, and regulations. These laws and regulations continue to evolve and are expected to increase in both number and complexity over time and govern not only the manner in which we conduct our operations, but also the products we sell. For example, international agreements and national, regional, and state legislation and regulatory measures that aim to limit or reduce greenhouse gas emissions or otherwise address climate change are currently in various stages of implementation. Additionally, in March 2022, the SEC proposed new climate- related disclosure rules, which if adopted as proposed, would require significant new climate- related disclosure in SEC filings, including certain climate- related metrics and greenhouse gas emissions data, and third- party attestation requirements. At this time, we cannot predict the costs of compliance with or any potential adverse impacts resulting from, these new rules if adopted as proposed, but compliance with such rules, when they are finalized, could require significant effort and divert management' s attention and resources, which could adversely affect our operating results. There are inherent risks that increasingly restrictive environmental and other regulation could materially impact our results of operations or financial condition. Most of the costs of complying with existing laws and regulations pertaining to our operations and products are embedded in the normal costs of doing business. However, it is not possible to predict with certainty the amount of additional investments in new or existing technology or facilities, or the amounts of increased operating costs to be incurred in the future, to prevent, control, reduce or eliminate releases of hazardous materials or other pollutants into the environment; remediate and restore areas damaged by prior releases of hazardous materials; or comply with new or changed environmental laws or regulations. Although these costs may be significant to the results of operations, we do not presently expect them to have a material adverse effect on our liquidity or financial position. Accidental leaks and spills requiring cleanup may occur in the ordinary course of business. We may incur expenses for corrective actions or environmental investigations at various owned and previously owned facilities, leased or previously leased facilities, at third- party sites we manage, and at third- party- owned waste disposal sites used by us. An obligation may arise when operations are closed or sold or at non- company sites where company products have been handled or disposed of. Expenditures to fulfill these obligations may relate to facilities and sites where past operations followed practices and procedures that were considered acceptable at the time but may require investigative or remedial work or both to meet current or future standards. Most of our fuel is transported by third- party carriers to our retail, ~~independent~~ dealer and fleet fueling sites. A portion of fuel is transported in our own trucks, instead of by third-party carriers, therefore, our operations are also subject to hazards and risks inherent in transporting motor fuel. These hazards and risks include, but are not limited to, fires, explosions, traffic accidents, spills, discharges and other releases, and cross- drops, any of which could result in distribution difficulties and disruptions, environmental pollution, governmentally- imposed fines or clean- up obligations, personal injury or wrongful death claims and other damage to our properties and the properties of others. The transportation of motor fuels, as well as the associated storage of such fuels at locations including convenience stores, are subject to various federal, state and local environmental laws and regulations, including those relating to ownership and operation of storage tanks, the release or discharge of regulated materials into the air, water and soil, the generation, storage, handling, use, transportation and disposal of hazardous materials, the exposure of persons to regulated materials, and the health and safety of employees dedicated to such transportation and storage activities. These laws and regulations may impose numerous obligations and restrictions that are applicable to motor fuels transportation and storage and other related activities, including acquisition of, or applications for, permits, licenses, or other approvals before conducting regulated activities; restrictions on the quality and labeling of the motor fuels that may be sold; restrictions on the types, quantities and concentration of materials that may be released into the environment; required capital expenditures to comply with pollution control requirements; and imposition of substantial liabilities for pollution or non- compliance resulting from these activities. Numerous governmental authorities, such as the **DOT and** EPA, and analogous state agencies, have the power to monitor and enforce compliance with these laws and regulations and the permits, licenses and approvals issued under them, including fines, which can result in increased pollution control equipment costs or other actions. Failure to comply with these existing laws and regulations, or any newly adopted laws or regulations, may trigger administrative, civil or criminal enforcement measures, including the assessment of monetary penalties or other sanctions, the imposition of investigative, remedial or corrective action obligations, the imposition of additional compliance requirements on certain operations or the issuance of orders enjoining certain operations. Moreover, the trend in environmental regulation is for more restrictions and limitations on activities that may adversely affect the environment, which aligns with a growing trend in investor sentiment, and such regulation may result in increased costs of compliance. Where releases of motor fuels or other substances or wastes have occurred, federal and state laws and regulations, and our lease agreements, require that contamination caused by such releases be assessed and remediated to meet applicable clean- up standards. Certain environmental laws impose strict, joint and several liability for costs required to clean- up and restore sites where motor fuels or other waste products have been disposed **of** or otherwise released. The costs associated with the investigation and remediation of contamination, as well as any associated third- party claims for damages or to impose corrective action obligations, could be substantial and could have a material adverse effect on us or our customers who transport motor fuels or own or operate convenience stores or other facilities where motor fuels are stored. For more information on potential risks arising from environmental and occupational safety and health laws and regulations, please see " Business — Environmental and Other Government Regulations. " ~~Business disruption and related risks resulting from the outbreak of COVID- 19 and variants of the virus could have a material adverse effect on our business and results of operations. In December 2019, Chinese officials reported a novel coronavirus (" COVID- 19 ") outbreak. COVID- 19 has since spread throughout the world, leading the World Health Organization to declare on March 11, 2020, that COVID- 19 reached the magnitude of a global pandemic. The rapid spread of COVID- 19 throughout the U. S. led federal, state and local governments to take significant steps in an attempt to reduce exposure to COVID- 19 and variants of the virus and control their negative effects on public health and the U. S. economy, which steps changed over time and varied by locality. The COVID- 19 pandemic has subsided with the normalization of living with COVID- 19 following the increase in accessibility to COVID- 19 vaccines and antiviral treatments. While the COVID- 19 pandemic generally impacted our results of operations positively, the pandemic initially negatively impacted our foodservices sales and same store fuel sales volumes, and we have experienced shortages in labor and supply chain disruptions that have increased our operating costs. The resurgence of the COVID- 19 pandemic could once again impact our operations and the operations of our customers and suppliers as a result of quarantines, location closures, illnesses, and travel restrictions. Any future resurgence of COVID- 19 or variants of the virus, and the severity and duration thereof, remain uncertain, however, a substantial and continuous deterioration in the business environment in the U.~~

~~S. as a consequence thereof could have a material adverse effect on our business, financial condition and results of operations, including: • Significant reductions or volatility in demand for products sold at our convenience stores and gas stations due to substantially lower customer traffic resulting from travel restrictions, social distancing measures, and more people working and studying virtually; • Significant disruptions of some or all of our operations as a result of government- imposed restrictions on customers and / or employees; • Temporary or long- term disruptions and delays to our supply chain, including our network of suppliers and distributors, significantly impacting the quantity, quality, variety and pricing of merchandise sold at our sites; • Limitations on availability of prospective and active employees; • Restrictions on the sale and pricing of certain products; • Increased employee healthcare costs related to COVID- 19 and variants of the virus; • Cost to comply with constantly evolving laws and regulations related to COVID- 19 and variants of the virus, including additional cleaning and protective equipment for employees and administrative costs; and • Changes to our competitors' service offerings, including delivery and drive- through options, which we offer on a limited basis.~~ Failure to comply with applicable laws and regulations could result in liabilities, penalties, costs, or license suspension or revocation that could have a material adverse effect on our business. Our operations are subject to numerous federal, state and local laws and regulations, including regulations related to the sale of alcohol, cigarettes and other tobacco products, lottery / lotto products, other age- restricted products, operation of gaming machines, various food safety and product quality requirements, environmental laws and regulations, and various employment ~~and tax~~ laws **, including requirements for various licenses and registrations. To the extent we are not able to provide information that is required under such regulations because owners of our stock do not provide the necessary documentation to comply or fail to comply with such regulations, we may have those licenses suspended or revoked** . Our violation of, or inability to comply with **such** ~~, state laws and regulations~~ **regulation** ~~concerning the sale of alcohol, cigarettes and other tobacco products, lottery / lotto products, other age- restricted products and operation of gaming machines~~ could expose us to regulatory sanctions ranging from monetary fines to the revocation or suspension of our permits and licenses for the sale of such products. **We may also be subject to litigation including class action litigation which may result in substantial costs, expenses and damages related to legal proceedings.** Such regulatory action **or litigation** could adversely affect our business, financial condition and results of operations ~~. To the extent we are not able to provide such information because owners of our stock do not provide the necessary documentation to comply, we may have those licenses suspended or revoked~~ . Our failure to comply with applicable labor and employment laws pertaining to, among others, minimum wage, mandated healthcare benefits or paid time- off benefits could result in increased regulatory scrutiny, monetary fines and substantial costs and expenses related to legal proceedings. Our business, particularly the operation of gas stations, and the storage and transportation of fuel products, is directly affected by numerous environmental laws and regulations pertaining, in particular, to the quality of fuel products, the handling and disposal of hazardous wastes and the prevention and remediation of environmental contaminations. Such laws and regulations are constantly evolving and have generally become more stringent over time. Our compliance with such evolving regulation requires significant and continuously increasing capital expenditures. Our business may also be (indirectly) affected by the adoption of environmental laws and regulations intended to address global climate change by limiting carbon emissions and introducing more stringent requirements for the exploration, drilling and transportation of crude oil and petroleum products. Increasingly wide- spread implementation of such laws and regulations may lead to a significant increase in the cost of petroleum- based fuels and, in turn, lower demand for road transportation fuel. Our failure to comply with applicable environmental laws and regulations, or a significant contamination at one of our sites requiring remediation of contaminated soil and groundwater on a large scale, could expose us to substantial fines and penalties, as well as administrative, civil and criminal charges, all of which could have a material adverse effect on our business, reputation, financial condition and results of operations. We are subject to extensive tax liabilities imposed by multiple jurisdictions **that** ~~, including income taxes, fuel excise taxes, sales and use taxes, payroll taxes, franchise taxes, property taxes and tobacco taxes. Many of these tax liabilities are subject to periodic audits by the respective taxing authorities. Substantial changes or reforms in the current tax regime could result in increased tax expenses and~~ potentially have a material adverse effect on our financial condition and results of operations. We **are subject to extensive tax liabilities imposed by multiple jurisdictions, including income taxes, fuel excise taxes, sales and use taxes, payroll taxes, franchise taxes, property taxes and tobacco taxes. Many of these tax liabilities are subject to periodic audits by the respective taxing authorities. Further changes in the tax laws could arise as a result of the base erosion and profit shifting project undertaken by the Organization for Economic Co- operation and Development (" OECD "). In December 2022, the European Union (" EU ") member states reached an agreement to implement the minimum tax component (" Pillar Two ") of the OECD' s tax reform initiative. The directive was enacted into the national law of the EU member states in 2023. If similar directives under Pillar Two are adopted by other taxing authorities, such changes could increase the amount of taxes we pay and therefore decrease our results of operations and cash flow. Additionally, substantial changes or reforms in the current tax regime could result in increased tax expenses and potentially have a material adverse effect on our financial condition and results of operations. We** rely on a large number of store employees. If we do not effectively manage our workforce, our labor costs and results of operations could be adversely affected. With approximately ~~11~~ **12** , 000 store employees, our labor costs represent one of our largest store operating expenses ~~,~~ and our business is dependent on our ability to attract, train, and retain the appropriate mix of qualified employees. Most of our store employees are in entry- level or part- time positions, which have historically high turnover rates. **Current** ~~The impact from the COVID- 19 pandemic on~~ employment trends and the prevailing wage rates in the markets in which we operate, including voluntary increases in wages because of current labor market conditions, have increased our costs associated with recruiting and retaining qualified personnel, and may continue to do so in the future. Our ability to meet our changing labor needs while controlling our costs is subject to external factors outside of our control such as labor laws and ~~regulations~~ **mandatory requirements at the local, state and federal levels (such as minimum wages, paid leave time, and other social benefits)** , unemployment levels, prevailing wage rates, benefit costs, changing demographics, and our reputation and relevance within the labor market. If we are unable to attract and retain qualified personnel to work in our stores **, do not provide proper training, or provide clear succession planning** , our operations, customer service levels, reputation, and competitiveness could suffer and our results of operations could be adversely affected. The loss of key senior management personnel or the failure to recruit or retain qualified **senior management** personnel could materially adversely affect our business. We are dependent on our ability to recruit **, train** and retain qualified individuals to ~~work in and~~ manage our **business** ~~convenience stores, and our operations are subject to federal and state laws governing such matters as minimum wages, overtime, working conditions and employment eligibility requirements~~ . Economic factors, ~~such as a decrease in unemployment and an increase in mandatory minimum wages at~~ the ~~local,~~ state **of the current labor market** and ~~federal levels~~ **availability of other employment options for our management personnel could impact our ability to recruit** and ~~social benefits,~~ **retain qualified personnel that** could have a material impact on our results of operations ~~if~~ **and impact our ability to execute upon our strategic goals. If** we **do not provide proper training and clear succession planning or** are ~~required~~ **unable** to **entice the necessary talent** ~~significantly increase wages and benefits expenditures in order~~ to ~~attract~~ **join our company** and retain ~~qualified personnel. The state of~~ **our employees over time, we may not have appropriate staff to be promoted to management roles as** ~~the~~ **they become available** ~~current labor market could impact our ability to recruit and retain qualified personnel~~ . Additionally, we are dependent on ~~our senior management~~ **certain key employees** to operate our business ~~. The~~ **and the** loss of any of our executive officers or other key **employees** ~~senior management personnel~~ could harm our business. Unfavorable weather conditions could adversely affect our business. Weather conditions have a significant effect on our sales, as retail customer transactions in higher profit margin products generally increase when weather conditions are favorable. Consequently, our results are seasonal, and we typically earn more during the warmer second and third quarters of the year. In addition, severe weather phenomena, such as hurricanes, may adversely affect our results of operations and could result in significant damage to our gas stations, convenience stores and infrastructure, potentially resulting in substantial costs and expenses. Temporary or long- term disruptions to our supply chain in connection with unfavorable weather conditions could impact our network of suppliers and distributors, significantly impacting the quality, variety and pricing of merchandise sold at our sites. We **are subject to payment- related risks that** may ~~be held liable~~ **result in higher operating costs** ~~for~~ - **or** ~~fraudulent~~ **the inability to process payments, either of which could harm our brand, reputation, business, financial condition and results of operations. We accept a variety of** credit ~~card~~ **cards** ~~transactions on~~ **and debit cards in our convenience stores and at** our fuel dispensers **and, accordingly, we are, and will continue to be, subject to significant and evolving regulations and compliance requirements, including obligations to implement enhanced authentication processes that could result in increased costs and liability and reduce the ease of use of certain payment methods. Additionally, we pay interchange and other fees, which may increase over time** . Europay, MasterCard and Visa, or EMV, is a global standard for credit cards that uses computer chips to authenticate and secure chip- card transactions. The liability for fraudulent credit card transactions shifted from the credit card processor to us in ~~October 2015 for transactions processed inside the convenience stores and shifted to us in~~ April 2021 for transactions at the fuel dispensers. ~~We have~~ **As of December 31, 2023, due to the required time and cost necessary to** ~~upgraded~~ - **upgrade each site** ~~all of our inside point- of- sale machines to be EMV- compliant~~ , **supply chain constraints related to necessary equipment,** and **contractor availability,** we **completed** ~~are actively~~ upgrading our fuel dispensers to be EMV- compliant at ~~the fuel dispenser with~~ approximately ~~55~~ **75** % of **our** retail locations ~~completed as of December 31~~ , ~~2022. Due to the required time~~ and ~~cost necessary to upgrade each site and supply chain constraints related to necessary equipment, we did not upgrade all of our sites prior to April 2021, but~~ anticipate being substantially complete by the end of ~~2023~~ **2025** . Accordingly, we may be subject to liability for fraudulent credit card transactions processed at fuel dispensers **that are now EMV- compliant** . We do not believe that this will expose us to material chargeback liability. We ~~are subject to payment- related risks that may result in higher operating costs or the inability to process payments, either of which could harm our brand, reputation, business, financial condition and results of operations. We accept a variety of credit cards and debit cards in our convenience stores and at our fuel dispensers and, accordingly, we are, and will continue to be, subject to significant and evolving regulations and compliance requirements, including obligations to implement enhanced authentication processes that could result in increased costs and liability (see " — We may be held liable for fraudulent credit card transactions on our fuel dispensers ") and reduce the ease of use of certain payment methods. In addition, we pay interchange and other fees, which may increase over time. We~~ rely on fuel brands and independent service providers for payment processing, including credit and debit cards. If these fuel brands and independent service providers become unwilling or unable to provide these services to us, if the cost of using these providers increases, or if such providers have a data breach or mishandle our data, our business could be harmed. Additionally, there is a trend toward cardless payment methods, which may require additional investment to implement at our locations. As these trends develop, we will need to align our fleet card offering to the new technologies. We are also subject to payment card association operating rules and agreements, including data security rules and agreements and certification requirements which could change or be reinterpreted to make it difficult or impossible for us to comply. In particular, we must comply with the Payment Card Industry Data Security Standard, or PCI DSS, a set of requirements designed to ensure that all companies that process, store or transmit payment card information maintain a secure environment to protect cardholder data. If we **, or our third- party service providers,** fail to comply with any of these rules or requirements, or if our **, or our third- party service providers,** data security systems are breached or compromised, we may be liable for losses incurred by card issuing banks or customers, subject to fines and higher transaction fees, lose our ability to accept credit or debit card payments from our customers, or process electronic fund transfers or facilitate other types of payments. Any failure to comply with such rules or requirements could significantly harm our brand, reputation, business, financial condition and results of operations. Significant disruptions of information technology systems, breaches of data security, or compromised data could materially adversely affect our business. We rely on multiple information technology systems and a number of third- party vendor platforms (collectively, " IT Systems ") in order to run and manage our daily operations, including for fuel pricing, loyalty programs, payroll, accounting, budgeting, reporting, and store operations. Such IT Systems allow us to manage various aspects of our business **, communicate with customers,** and to provide reliable analytical information to our management. The future operation, success and growth of our business depends on streamlined processes made available through our uninhibited access to information systems, global communications, internet activity and other network processes. Like most other companies, despite our current ~~security~~ **cybersecurity** ~~measures~~ **risk management framework (see " Cybersecurity " for additional detail)** and process controls, our information technology systems, and those of our third- party service providers, may be vulnerable to information security breaches, ransomware or extortion, mishandled data, acts of vandalism, computer viruses and interruption or loss of valuable business data. Stored data might be improperly accessed due to a variety of events beyond our control, including, but not limited to, damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, physical and electronic loss of access to data and information, terrorist attacks, hackers, security breaches or other security incidents, and computer viruses or attacks. We rely on third **-** parties to provide maintenance and support of our IT Systems, and **to store our data (including customer data) and** a failure of any of these third **-** parties to provide adequate and timely support **, or compromise of these third- parties' systems,** could adversely affect the operation of our IT Systems. We have technology security initiatives and disaster recovery plans in place to mitigate our risk to these vulnerabilities, but these measures may not be adequately designed or implemented to ensure that our operations are not disrupted or the data security breaches do not occur. Hackers and data thieves are increasingly sophisticated and operate large-scale and complex attacks which may remain undetected until after they occur. Any breach of our network or those of our vendors may result in damage to our reputation, the loss of valuable business data, the misappropriation of our valuable intellectual property or trade secret information, misappropriation of our ~~consumers~~ **customers** ' or employees' personal information, key personnel being unable to perform duties or communicate throughout the organization, loss of retail sales, significant costs for data restoration and other adverse impacts on our business. Despite our existing security procedures and controls, if our network or the network of one of our service providers was compromised, it could give rise to unwanted media attention, materially damage our customer relationships, harm our business, reputation, results of operations, cash flows and financial condition, result in fines or litigation, and may increase the costs we incur to protect against such information security breaches, such as increased investment in technology, the costs of compliance with consumer protection laws and costs resulting from consumer fraud. In addition, successful cyberattacks, data breaches, or data security incidents, at one of our vendors, other convenience store operators, large retailers or other market participants, whether or not we are directly impacted, could lead to a general loss of customer confidence or affect our supply chain which could negatively affect us, including harming the market perception of the effectiveness of our security measures or harming the reputation of the industry in general, which could result in reduced use of our products and services. The costs of mitigating cybersecurity risks are significant and are likely to increase in the future. These costs include, but are not limited to, retaining the services of cybersecurity providers; compliance costs arising out of existing and future cybersecurity, data protection and privacy laws and regulations; costs related to maintaining redundant networks, data backups and other damage- mitigation measures; and extra administrative costs to mitigate risk and deal with any system breaches. While we maintain cyber liability insurance, our insurance may not be sufficient to protect against all losses we may incur due to policy exclusions or if we suffer significant or multiple attacks. We are subject to evolving laws, regulations, standards, and contractual obligations related to data privacy and security regulations, and our actual or perceived failure to comply with such obligations could harm our reputation, subject us to significant fines and liability, or otherwise adversely affect our business. As a fuel and merchandise retailer, we collect and store large amounts of data on our network, including personal data from customers and other sensitive information concerning our employees, customers and vendors. As such, we are subject to, or affected by, a number of federal, state, and local laws and regulations, as well as contractual obligations and industry standards, that impose certain obligations and restrictions with respect to data privacy and security, and govern our collection, storage, retention, protection, use, processing, transmission, sharing and disclosure of personal and other information including that of our employees, customers, and others. If we are found to have breached any such laws or regulations, we may be subject to enforcement actions that require us to change our business practices in a manner which may negatively impact our revenue, as well as expose us to litigation, fines, civil and / or criminal penalties and adverse publicity that could cause our customers to lose trust in us, negatively impacting our reputation and business in a manner that harms our financial position. The U. S. Federal Trade Commission (the " FTC ") and state governments expect a company' s data security and privacy measures to be compliant. Such rules may be reasonable and appropriate in light of the sensitivity and volume of ~~consumer~~ **customer** information we hold, the size and complexity of our business, and the cost of available tools to improve security and reduce vulnerabilities, or may require compliance regardless of the compliance costs as compared to the potential security and privacy issues. Our failure to take any steps perceived by the FTC as appropriate or required to protect ~~consumers~~ **customers** ' personal information may result in claims by the FTC that we have engaged in unfair or deceptive acts or practices in violation of Section 5 (a) of the FTC Act. State consumer protection laws provide similar and additional causes of action which may be brought by state governments or plaintiffs' counsel for unfair or deceptive practices for alleged privacy, data protection and data security violations. Further, we make public statements about our use and disclosure of personal information through our privacy policies that are posted on our websites and in our loyalty applications. The publication of our privacy policies and other statements that provide promises and assurances about data privacy and security can subject us to potential government or legal action if they are found to be deceptive, unfair or misrepresentative of our actual practices. As described above, we are also subject to ~~the~~ PCI DSS, which is a standard designed to protect credit card account data as mandated by payment card industry entities. We rely on vendors to handle PCI DSS matters and to ensure PCI DSS compliance. Despite our compliance efforts, we may become subject to claims that we have violated the PCI DSS based on past, present, and future business practices. Our actual or perceived failure to comply with the PCI DSS can subject us to fines, termination of banking relationships, and increased transaction fees. In addition, numerous states already have, and are looking to expand, data protection and privacy legislation requiring companies like ours to consider solutions to meet differing needs and expectations of ~~consumers~~ **customers** . Similar laws have been proposed at the federal level, reflecting a trend toward more stringent privacy legislation in the United States. The enactment of such laws could have potentially conflicting requirements that would make compliance challenging and we may not be able to monitor and react to all developments in a timely manner. Our failure, and / or the failure by the various third- party service providers and partners with which we do business, to comply with applicable privacy policies or federal or state laws and regulations or any other obligations relating to privacy, data protection or information security, or any compromise of security that results in the unauthorized release of personal data or other user data, or the perception that any such failure or compromise has occurred, could negatively harm our brand and reputation, result in a loss sales and / or result in fines and / or proceedings by governmental agencies and / or customers, any of which could have a material adverse effect on our business, results of operations and financial condition. Our business could suffer if we fail to adequately secure, maintain, and enforce our intellectual property rights. We rely on our trademarks, trade names, and brand names to distinguish our products and services from those of our competitors, and have registered or applied to register many of these trademarks. We cannot assure you that our trademark applications will be approved. Third **-** parties may also oppose our trademark applications, or otherwise challenge our use of the trademarks. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products or services, which could result in loss of brand recognition, and could require us to devote resources advertising and marketing new brands. Further, we cannot assure you that competitors will not infringe our trademarks, or that we will have adequate resources to enforce our trademarks **. Any claims of intellectual property infringement, even those without merit, could be expensive and time consuming to defend and divert management' s attention, cause us to cease making, licensing or using the products or services that incorporate the challenged intellectual property, require us to rebrand our products or services, if feasible, or require us to enter into royalty or licensing agreements in order to obtain the right to use a third- party' s intellectual property** . We also rely on trademarks that we license from third **-** parties to identify the branded fuels that we supply ~~, including the marks " ExxonMobil, " " Marathon, " " BP, " " Shell, "~~ and **trademarks in** ~~" Valero. " In~~ our quick service food offerings ~~, we license trademarks such as " Subway, " " Sbarro " and " Dunkin' " to use at our applicable franchised or licensed outlets. We also license the " Jetz " trademark for use at certain of our convenience stores in Wisconsin~~ . If we violate the terms of these licenses, we could be liable for damages, and the licenses could be terminated. The termination or non- renewal of any of these licenses could require us to rebrand or to replace the licensed goods and services, and accordingly could have a material adverse effect on our business, reputation, financial condition and results of operations. We also rely on unpatented proprietary technology. It is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology. We use access controls in an effort to prevent unauthorized use or disclosure of our trade secrets and proprietary or confidential information, however, we cannot assure you that these controls will not be circumvented. We also generally require employees, consultants, advisors and collaborators to enter into confidentiality agreements. We cannot assure you that these agreements will provide meaningful protection for our trade secrets, know- how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know- how or other proprietary information. If we are unable to maintain the proprietary nature of our technologies, we could be materially adversely affected. ~~If third parties claim that we infringe upon their intellectual property rights, our operating profits could be adversely affected. We face the risk of claims that we have infringed third parties' intellectual property rights. Any claims of intellectual property infringement, even those without merit, could be expensive and time consuming to defend and divert management' s attention, cause us to cease making, licensing or using the products or services that incorporate the challenged intellectual property, require us to rebrand our products or services, if feasible, or require us to enter into royalty or licensing agreements in order to obtain the right to use a third party' s intellectual property. Any royalty or licensing agreements, if required, may not be available to us on acceptable terms or at all. A successful claim of infringement against us of third party intellectual property infringement could result in us being required to pay significant damages, enter into costly license or royalty agreements, or stop the sale of certain products or stop the use of certain services, any of which could have a negative impact on our operating profits and harm our future prospects.~~ We depend on third- party transportation providers for the transportation of most of our motor fuel. Thus, a change of providers **, a significant incident related to a provider,** or a significant change in our relationship with these providers could have a material adverse effect on our business. Most of the motor fuel we distribute is transported from terminals to gas stations and cardlock locations by third- party transportation providers. Such providers may suspend, reduce or terminate their obligations to us if certain events (such as force majeure) occur. A change of key transportation providers, a disruption or cessation in services provided by such providers **, a significant accident or other incident involving a transportation provider,** or a significant change in our relationship with such providers could have a material adverse effect on our business, financial condition and results of operations. Our operations present risks which may not be fully covered by insurance. We carry comprehensive insurance against the hazards and risks underlying our operations. We believe our insurance policies are customary in the industry; however, some losses and liabilities associated with our operations may not be covered by our insurance policies. In addition, there can be no assurance that we will be able to obtain similar insurance coverage on favorable terms (or at all) in the future. Significant uninsured losses and liabilities could have a material adverse effect on our financial condition and results of operations. Furthermore, our insurance is subject to high deductibles. As a result, certain large claims, even if covered by insurance, may require a substantial cash outlay by us, which could have a material adverse effect on our financial condition and results of operations. Our variable rate debt could adversely affect our financial condition and results of operations. Certain of our outstanding term loans and revolving credit facilities bear interest at variable rates, subjecting us to fluctuations in the short- term interest rate. The U. S. Federal Reserve Board significantly increased the federal funds rate in 2022 and **2023** ~~has indicated that further rate increases may be announced in the short- term to combat rising inflation in the United States~~ , which has increased the borrowing costs on our variable rate debt and may increase the cost of any new debt we incur. Any further additional federal fund rate increases could in turn make our financing activities, including those related to our acquisition activity, more costly and limit our ability to refinance existing debt when it matures or pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness. As of December 31, ~~2022~~ **2023**, approximately ~~38~~ **46** % of our debt bore interest at variable rates ~~. Consequently, significant increases in market interest rates would create substantially higher debt service requirements~~, which ~~could have a material adverse effect on our overall financial condition, including our ability to service our indebtedness. The agreements governing our indebtedness contain various restrictions and financial covenants that may restrict our business and financing activities. We depend on the earnings and cash flow generated by our operations in order to meet our debt service obligations. The operating and financial restrictions and covenants in GPM' s credit facilities and our 5. 125 % Senior Notes due 2029 (the " Senior Notes "), and any future financing agreements, may restrict our ability to finance future operations or expand our business activities. For example, certain of GPM' s and GPMP' s credit facilities and our Senior Notes restrict our ability to, among other things: • incur additional debt or issue guarantees; • incur or permit liens to exist on certain property; • pay dividends, redeem stock or make other distributions; • make certain investments, acquisitions or other restricted payments; • enter into certain types of transactions with affiliates; • agree to certain restrictions on the ability of restricted subsidiaries to make payments to us; • engage in certain asset sales; • modify or terminate certain material contracts; and • merge or dispose of all or substantially all of its assets. In addition, certain of the credit agreements governing GPM' s credit facilities contain covenants requiring GPM to maintain certain financial ratios. See " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Contractual Obligations and Indebtedness " for additional information about GPM' s credit facilities and our Senior Notes. Our ability to comply with these restrictions and covenants~~ is ~~uncertain and will be affected by the levels of cash flow from operations and other events or circumstances beyond our control. If market or other economic conditions deteriorate, our ability to comply with these covenants may be impaired. If we violate any provisions of our credit facilities or Senior Notes that are not cured or waived within the appropriate time periods provided in the agreements governing such indebtedness, a significant portion of our indebtedness may become immediately due and payable, and our lenders' commitment to make further loans to us under certain of our credit facilities may terminate. We might not have, or be able to obtain, sufficient funds to make these accelerated payments. If we were unable to repay the accelerated amounts, the lenders under our secured credit facilities could proceed against the collateral granted to them to secure such debt. If the payment of our debt is accelerated, our assets may be insufficient to repay such debt in full, which could result in our insolvency. SOFR has a limited history, and the future performance of SOFR cannot be predicted based on historical performance. As of December 31, 2022, approximately 38 % of our debt bore interest at variable rates, with the majority of them~~ based on CME Group' s forward- looking Secured Overnight Financing Rate (" SOFR "). **Consequently** ~~The publication of SOFR began in April 2018~~, **significant increases** ~~and, therefore, it has a limited history. In addition, the future performance of SOFR cannot be predicted based on the limited historical performance. Future levels of SOFR may bear little or no relation to the historical actual or historical indicative SOFR data. Prior observed patterns, if any,~~ in ~~the behavior of~~ market ~~variables and their relation to SOFR, such as correlations, may change in the future. Hypothetical performance data are not indicative of, and have no bearing on, the potential performance of SOFR. Although changes in term SOFR and compounded SOFR generally are not expected to be as volatile as changes in SOFR on a daily basis, the return on, value of and market for the SOFR based debt may fluctuate more than floating rate debt securities with~~ interest rates **would create substantially higher debt service requirements** ~~based on less volatile rates. Risks Related to the Business as a Public Company We incur significantly increased expenses and administrative burdens as a public company~~, which could have ~~an~~ **a material** adverse effect on our **overall** ~~business,~~ financial condition **, including our ability to service our indebtedness. The agreements governing our indebtedness contain various restrictions** and ~~results of~~ **financial covenants that may restrict our business and financing activities. We depend on the earnings and cash flow generated by our** operations **in order to meet our debt service obligations** ~~. We incur certain increased legal, accounting, insurance, administrative and other costs and expenses as a public company~~. The ~~Sarbanes- Oxley Act of~~ **operating and financial restrictions and covenants in our credit facilities and our 5. 125 % Senior Notes due** ~~2002~~ - **2029** (the " **Senior Notes** ~~Sarbanes- Oxley Act~~ "), ~~including the requirements of Section 404, as well as rules~~ and **any future financing agreements** ~~regulations subsequently implemented by the SEC~~, **may restrict our ability** ~~the Dodd- Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules and regulations promulgated and~~ to ~~be promulgated thereunder~~ **finance future operations or expand our business activities. For example** , ~~the PCAOB~~ **certain of our credit facilities** and ~~the securities exchanges~~ **our Senior Notes restrict our ability to** , **among** ~~impose additional reporting and~~ other **things:** ~~obligations on public companies. Compliance with public company requirements has increased costs and made certain activities more time-consuming. Furthermore, if any issues in complying with those requirements are identified (for example, if our auditors identify a material weakness or significant deficiency in our internal control over financial reporting), we could~~ incur additional **debt or** ~~costs rectifying those issues~~ - **issue guarantees; incur** ~~, and the existence of those issues could adversely affect our~~ - **or** ~~reputation~~ **permit liens to exist on certain property; pay dividends, redeem stock** or ~~investor perceptions~~ **make other distributions; make certain investments, acquisitions or other restricted payments; enter into certain types** of **transactions** ~~it. Risks associated~~ with ~~our status as a public company may~~ **affiliates; agree to certain restrictions on the ability of restricted subsidiaries to** make **payments** ~~it more difficult~~ to ~~attract and~~ **us; engage in** ~~retain~~ - **certain asset sales; modify** ~~qualified persons to serve on our~~ - **or** ~~board~~ **terminate certain material contracts; and merge or dispose** of ~~directors~~ **all or substantially all of certain entities' assets. In addition, certain of the credit agreements governing** ~~or~~ **our** ~~as executive officers~~ **credit facilities contain covenants requiring us to maintain certain financial ratios** . ~~The~~ **See " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Contractual Obligations and Indebtedness " for** additional ~~reporting~~ **information about our credit facilities and our Senior Notes. Our ability to comply with these restrictions and covenants is uncertain and will be affected by the levels of cash flow from operations** and other ~~obligations imposed by~~ **events or circumstances beyond our control. If market or other economic conditions deteriorate, our ability to comply with** these **covenants may be impaired. If we violate any provisions** ~~rules and regulations have increased legal and financial compliance costs and the costs~~ of **our credit** ~~related legal, accounting and administrative activities~~ **facilities** ~~and may significantly increase~~ **or Senior Notes that are not cured or waived within the appropriate time periods provided in the agreements governing** such **indebtedness** ~~costs in the future. These increased costs have~~ , ~~and will in the future, require us to divert~~ a significant **portion of our indebtedness may become immediately due and payable, and our lenders' commitment to make further loans to us under certain of our credit facilities may terminate. We might not have, or be able to obtain, sufficient funds to make these accelerated payments. If we were unable to repay the accelerated** ~~amount~~ **amounts** ~~of money that~~ **, the lenders under our secured credit facilities** could ~~otherwise~~ **proceed against the collateral granted to them to secure such debt. If the payment of our debt is accelerated, our assets may** be ~~used~~ **insufficient** to **repay such debt** ~~expand our business and achieve certain strategic objectives. Advocacy efforts by stockholders and third parties may also prompt additional changes~~ in **full** ~~governance and reporting requirements~~ , which could ~~further increase costs~~ **result in our insolvency** . Risks Related to Our Organizational Structure ~~Our principal~~ **The majority of our common stock is held by a limited number of** stockholders and management ~~control us~~ and their interests may conflict with yours in the future. Our executive officers and directors and ~~significant~~ **a limited number of** stockholders beneficially ~~currently own~~ **owned** approximately ~~58~~ **71** % of our outstanding voting stock **as of December 31, 2023** . Each share of common stock entitles its holders to one vote on all matters presented to stockholders ~~generally~~ . Accordingly, ~~those owners, if voting~~ **this limited number of stockholders can have a material impact** in ~~the same manner, will be able to control~~ the election and removal of our directors and thereby determine corporate and management policies, including potential mergers or acquisitions, payment of dividends, asset sales, amendment of the certificate of incorporation and bylaws and other significant corporate transactions for so long as they retain significant ownership. This concentration of ownership may delay or deter possible changes in control, which may reduce the value of an investment in the common stock. So long as they continue to own a significant amount of the combined voting power, even if such amount is less than 50 %, they will continue to be able to strongly influence or effectively control our decisions. Our corporate structure includes Israeli subsidiaries that may have adverse tax consequences and expose us to additional tax liabilities. Our corporate structure includes Israeli subsidiaries that file tax returns in Israel. Israeli tax authorities may challenge positions taken by such subsidiaries with respect to ~~its~~ **their** tax returns. To the extent such a challenge is sustained, this could increase our worldwide effective tax rate and adversely impact our financial position and results of operations. In addition, tax law or regulations in Israel may be amended and Israeli tax authorities may change their interpretations of existing tax law and regulations such that we may be subject to increased tax liabilities, including upon termination or liquidation of our Israeli subsidiaries. We may face additional tax liabilities in transferring cash through our Israeli subsidiaries by means of dividends or otherwise to support us, primarily due to withholding tax requirements imposed pursuant to the provisions of the Israeli tax law (which may be reduced under the provisions of the convention between the Government of the United States of America and the Government of Israel with respect to Taxes on Income), which could have a material adverse effect on our business, financial condition and results of operations. Our amended and restated certificate of incorporation designates specific courts as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us. Pursuant to our amended and restated certificate of incorporation, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for any state law claim for (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of or based on a breach of a fiduciary duty owed by any director, officer or other employee of ours to us or our stockholders; (3) any action asserting a claim pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our bylaws; or (4) any action asserting a claim governed by the internal affairs doctrine (the " Delaware Forum Provision "). The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our amended and restated certificate of incorporation further provides that unless we consent in writing to the selection of an alternative forum, the United States District Court in Delaware shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (the " Federal Forum Provision "). In addition, our amended and restated certificate of incorporation provides that any person or entity purchasing or otherwise acquiring any interest in shares of common stock is deemed to have notice of and consented to the Delaware Forum Provision and the Federal Forum Provision; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. We recognize that the Delaware Forum Provision and the Federal Forum Provision in our amended and restated certificate of incorporation may impose additional litigation costs on stockholders in pursuing any such claims, particularly if the stockholders do not reside in or near the State of Delaware. Additionally, the forum selection clauses in our amended and restated certificate of incorporation may limit our stockholders' ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage the filing of lawsuits against us and our directors, officers and employees, even though an action, if successful, might benefit our stockholders. While the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court were " facially valid " under Delaware law, there is uncertainty as to whether courts in other jurisdictions will enforce the Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware may also issue different judgments than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders. Risks Related to Our Securities If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, stockholders could lose confidence in our financial and other public reporting, which is likely to negatively affect our business and the market price of our common stock. Effective internal control over financial reporting is necessary for us to provide reliable financial reports and prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in our implementation could cause us to fail to meet our reporting obligations. In addition, any testing conducted by us, or any testing conducted by our independent registered public accounting firm, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which is likely to negatively affect our business and the market price of our common stock. We are required to comply with Section 404 of the Sarbanes- Oxley Act, which requires annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent registered public accounting firm on the effectiveness of internal control over financial reporting as of year- end. In particular, we are required to perform system and process evaluation and testing of our internal controls over financial reporting to allow management to report on the effectiveness of our internal controls over financial reporting, as required by Section 404 (a) of the Sarbanes- Oxley Act. We are also subject to the compliance requirements of Section 404 (b) of the Sarbanes- Oxley Act, which has resulted in us incurring substantial expenses and expending significant management efforts to comply with the Sarbanes- Oxley Act, which ~~we~~ will continue. We cannot assure you that we will at all times in the future be able to report that our internal controls are effective. Material weaknesses in the design and operation of the internal control over financial reporting of businesses that we acquire could have a material adverse effect on our business and operating results. If we are not able to comply with the requirements of Section 404 of the Sarbanes- Oxley Act or if we identify or our independent registered public accounting firm identifies deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, the market price of our common stock could decline and we could be subject to sanctions or investigations by Nasdaq, the SEC, or other regulatory authorities, which would require additional financial and management resources. The market price and trading volume of our common stock may be volatile and could decline significantly. The Nasdaq stock market on which we list our common stock, has from time to time experienced significant price and volume fluctuations. Even if an active, liquid and orderly trading market is sustained for our common stock, the market price of our common stock may be volatile and could decline significantly. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares at or above the market price of our common stock as of the date of this Annual Report on Form 10- K. We cannot assure you that the market price of our common stock will not fluctuate widely or decline significantly in the future in response to a number of factors, including, among others ~~,~~ ~~the following~~ : ~~•~~ the realization of any of the risk factors presented in this Annual Report on Form 10- K; ~~•~~ actual or anticipated differences in our estimates, or in the estimates of **securities** analysts, ~~for~~ - **or the expectations of stockholders,** ~~our~~ - **or** ~~revenues,~~ **changes by securities analysts in their estimates of our future earnings; failure of our operating** results **to meet** ~~of operations, level of indebtedness, liquidity or~~ **our** ~~financial condition~~ **published guidance** ; ~~• additions and departures of key personnel; • failure to comply with the requirements of Nasdaq; • failure to comply with the Sarbanes- Oxley Act or other laws or regulations; • future issuances, sales or resales, or anticipated issuances, sales or resales, of our common stock; • publication of research reports about us, our sites or the convenience store industry generally; •~~ the performance and market valuations of other similar companies; ~~•~~ **and** broad disruptions in the financial markets, including sudden disruptions in the credit markets ~~; • speculation in the press or investment community or trends caused by internet forums; • actual, potential or perceived control, accounting or reporting problems; and • changes in accounting principles, policies and guidelines~~ . In the past, securities class ~~-~~ action litigation has often been instituted against companies following periods of volatility in the market price of their shares. This type of litigation could result in substantial costs and divert our management' s attention and resources, which could have a material adverse effect on us. ~~If securities or industry analysts do not publish research, publish inaccurate or unfavorable research or cease publishing research about us or the convenience store industry, our share price and trading volume could decline significantly. The market for our common stock depends in part on the research and reports that securities or industry analysts publish about us, our business or our industry. We have limited coverage from securities and industry analysts. If one or more of the analysts who cover us downgrade their opinions about our common stock, publish inaccurate or unfavorable research about us, or cease publishing about us regularly, demand for our common stock could decrease, which might cause our share price and trading volume to decline significantly. Additionally, if securities or industry analysts publish negative information regarding the industry generally or certain competitors of ours, this may affect the market price of all stocks in our sector, even if unrelated to our performance.~~ Sales of a substantial number of shares of our common stock in the public market could cause the price of our common stock to decline. As of December 31, ~~2022~~ **2023** , we had ~~approximately 120. 1 million~~ **116, 171, 208** shares of common stock outstanding and warrants to purchase approximately 18. 4 million shares of common stock. We have registered shares of common stock that we may issue under our equity compensation plan. These shares may be sold freely in the public market upon issuance, subject to relevant vesting schedules, and applicable securities laws. Additionally, in the past we have issued, and may issue in the future, equity as part of the purchase price for an acquisition. Sales of a substantial number of shares of our common stock in the public market or the perception that these sales might occur could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that sales may have on the prevailing market price of our common stock. ~~Certain provisions in our amended and restated certificate of incorporation may limit stockholders' ability to affect a change in management or control. Our amended and restated certificate of incorporation includes certain provisions which may have the effect of delaying or preventing a future takeover or change in control that stockholders may consider to be in their best interests. Among other things, our amended and restated certification of incorporation provided for a classified board of directors serving~~

~~staggered terms of three years. While this provision was amended at our last annual meeting, the 2023 annual meeting will be the first meeting where certain directors are elected to one year terms, however, classes of directors with each of one- year and two- year terms remaining will not be up for election at the 2023 annual meeting. Our equity plans and our officers' employment agreements provide certain rights to plan participants and those officers, respectively, in the event of a change in control.~~ We may not continue to declare cash dividends or may reduce the amount of cash dividends in the future. In February 2022, we announced that our board of directors **(the " Board ")** authorized a regular dividend program under which we commenced payment of quarterly dividends on our common stock, subject to quarterly declarations ~~by~~ **in the sole discretion of** our ~~board~~ **Board** ~~of directors~~ . Any future declarations of dividends, as well as the amount and timing of such dividends, are subject to capital availability and the discretion of our ~~board~~ **Board** ~~of directors~~ , which must evaluate, among other things, whether cash dividends are in the best interest of our stockholders and are in compliance with all applicable laws and any agreements containing provisions that limit our ability to declare and pay cash dividends. Our ability to pay dividends in the future and their amount will depend upon, among other factors, our cash balances and potential future capital requirements, debt service requirements, earnings, financial condition, the general economic and regulatory climate, and other factors beyond our control that our ~~board~~ **Board** ~~of directors~~ may deem relevant. Our dividend payments may change from time to time, and we may not continue to declare dividends in the future. A reduction in or elimination of our dividend payments could have a negative effect on our stock price.