Risk Factors Comparison 2024-02-16 to 2023-02-17 Form: 10-K

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

Risks Related to the Amusement Park Industry Instability in economic conditions could impact our business, including our results of operations and financial condition. Uncertain or deteriorating economic conditions, including during inflationary and recessionary periods, may adversely impact attendance figures and guest spending patterns at our parks as uncertain economic conditions affect our guests' levels of discretionary spending. Both attendance and in- park spending at our parks are key drivers of our revenues and profitability, and reductions in either can directly and negatively affect revenues and profitability. A decrease in discretionary spending due to a decline in consumer confidence in the economy, an economic slowdown or deterioration in the economy could adversely affect the frequency with which our guests choose to attend our parks and the amount that our guests spend on our products when they visit. Periods of inflation or economic downturn could also impact our ability to obtain supplies and services and increase our operating costs. We continue to see some inflationary effects and supply chain disruptions on our business, which may continue or worsen. In addition, the existence of unfavorable general economic conditions may also hinder the ability of those with which we do business, including vendors, concessionaires and customers, to satisfy their obligations to us. The materialization of these risks could lead to a decrease in our revenues, operating income and cash flows. ~~The COVID- 19~~ **Public health concerns or a future** pandemic **could** ~~has adversely impacted our business and may continue to~~ adversely impact our business, as well as intensify certain risks we face ~~, for an unknown length of time. Since 2020, the COVID- 19 pandemic has had a material negative impact on our business. On March 14, 2020, we closed our properties in response to federal and local recommendations and restrictions to mitigate the spread of COVID- 19. We were ultimately able to resume partial operations, subject to capacity, social distancing mandates and other governmental restrictions, at 10 of our 13 properties on a staggered basis in 2020. We operated all of our properties in 2021. However, 2021 operating seasons were delayed and certain restrictions remained in place at some of our properties. Each of our properties opened for the 2022 operating season as planned and without restrictions~~ . Consumer behavior and preferences changed in response to the effects of the COVID- 19 pandemic and may remain changed both in the short term and long term, including impacts on discretionary consumer spending due to ~~significant~~ economic uncertainty and changing risk tolerances of our employees and guests regarding health matters ~~. In 2020, we experienced lower demand upon reopening our properties resulting in a material decrease in revenues generated. In 2021 and 2022, attendance improved, but we experienced lower demand at certain times and at certain properties~~ . Future significant volatility or reductions in demand for, or interest in, our parks could materially adversely impact attendance, in- park per capita spending and revenue. In addition, we could experience damage to our brand and reputation due to actual or perceived health risks associated with our parks or the amusement park industry which could have a similar material adverse effect on attendance, in- park per capita spending and revenue. We may also ~~continue to~~ experience operational risks ~~due to the COVID- 19 pandemic~~ , including limitations on our ability to recruit and train employees in sufficient numbers to fully staff our parks as a result of changing risk tolerances. Because our amusement and water parks **and complementary resort facilities** are the primary sources of net income and operating cash flows, any future mandated or voluntary closures or other operating restrictions **related to a future pandemic** ~~would~~ **could** adversely impact our business and financial results. Our parks are geographically located throughout the United States and in Canada. The duration and severity of **a** ~~the COVID- 19~~ pandemic and the related restrictions at any one location could result in a potentially disproportionate amount of risk if concentrated amongst our largest properties ~~. We have not previously experienced the level of disruption caused by the COVID- 19 pandemic. It is difficult for management to estimate future performance under these conditions, and the ultimate impact of the COVID- 19 pandemic on our business, results of operations and financial condition cannot be reasonably predicted~~ . The high fixed cost structure of amusement park operations can result in significantly lower margins, profitability and cash flows if attendance levels do not meet expectations. A ~~large~~ **significant** portion of our ~~expense~~ **expenses** ~~is~~ **are** relatively fixed because the costs for full- time employees, maintenance, utilities, advertising and insurance do not vary significantly with attendance. These fixed costs may increase and may not be able to be reduced at a rate proportional with ongoing attendance levels. If cost- cutting efforts are insufficient or are impractical, we could experience a material decline in margins, profitability and cash flows. Such effects can be especially pronounced during periods of economic contraction or slow economic growth. Bad or extreme weather conditions can adversely impact attendance at our parks, which in turn would reduce our revenues. Because most of the attractions at our parks are outdoors, attendance at our parks can be adversely affected by continuous bad or extreme weather and by forecasts of bad or mixed weather conditions, which would negatively affect our revenues. We believe that our ownership of many parks in different geographic locations reduces, but does not completely eliminate, the effect that adverse weather can have on our consolidated results. **This risk could be magnified by the effects of climate change, including more extreme temperatures, excessive precipitation or wind, wildfires and hurricanes.** Our insurance coverage may not be adequate to cover all possible losses that we could suffer, and our insurance costs may increase. Although we carry liability insurance to cover possible incidents, ~~there can be no assurance that~~ our coverage ~~will~~ **may not** be adequate to cover liabilities, ~~that~~ we ~~will~~ **may not** be able to obtain coverage at commercially reasonable rates, **and** ~~or that~~ we ~~will~~ **may not** be able to obtain adequate coverage should a catastrophic incident occur at our parks or at other parks. Companies engaged in the amusement park business may be sued for substantial damages in the event of an actual or alleged incident. An incident occurring at our parks or at competing parks could reduce attendance, increase insurance premiums, and negatively impact our operating results. Unanticipated construction delays in completing capital improvement projects in our parks and resort facilities, significant ride downtime, or other unplanned park closures could adversely affect our revenues. A ~~principal competitive~~ **meaningful**

marketing factor for an amusement park is the uniqueness and perceived quality of its rides and attractions in a particular market area. Accordingly, the regular addition of new rides and attractions is important, and a key element of our revenue growth is strategic capital spending on new rides and attractions. Any construction delays could adversely affect our attendance and our ability to realize revenue growth. Further, when rides, attractions, or an entire park, have unplanned downtime and / or closures, our revenue could be adversely affected. There is a risk of accidents or other incidents occurring at amusement and water parks, which may reduce attendance and negatively impact our revenues. The safety of our guests and employees is one of our top priorities. Our amusement and water parks feature thrill rides. There are inherent risks involved with these attractions, and an accident or a serious injury at any of our parks could result in negative publicity and could reduce attendance and result in decreased revenues. In addition, accidents or injuries at ~~parks~~ **facilities** operated by our competitors **, including amusement parks,** could influence the general attitudes of ~~amusement park~~ patrons and adversely affect attendance at our parks. Other types of incidents such as food borne illnesses and disruptive, negative guest behavior which have either been alleged or proved to be attributable to our parks or our competitors could adversely affect attendance and revenues. Extended disruptions to our technology platforms may adversely impact our sales and revenues. A large portion of our sales are processed online and utilize third party technology platforms. Our increased dependence on these technology platforms may adversely impact our sales, and therefore our revenues, if key systems are disrupted for an extended period of time. Risks Related to **the Proposed Merger with Six Flags The proposed merger with Six Flags and integration of both companies may be more difficult, costly or time- consuming than expected, and we may fail to realize the anticipated benefits of the merger. The success of the proposed merger with Six Flags will depend in part on our ability to realize anticipated revenue and cost synergies and on our ability to successfully integrate the businesses. If we are not able to successfully achieve these objectives, the anticipated benefits of the merger may not be realized fully, or at all, or may take longer to realize than expected. In addition, our ability to achieve the goals for the proposed merger may be affected by future prospects, execution of business strategies, and our ability to manage the various factors discussed within this report, including within the forward- looking statements. The actual benefits of the proposed merger also could be less than anticipated if, for example, completion of the merger and / or integration of the businesses are more difficult, costly or time- consuming than we expect. The market price of the combined company' s common stock following the closing of the merger may be affected by factors different from those that historically have affected or currently affect our units. Upon completion of the merger, the combined company' s financial position may differ from each of Six Flags' and Cedar Fair' s financial positions before the completion of the merger, and the results of operations of the combined company may be affected by factors that are different from those currently affecting the results of operations of each of Six Flags and Cedar Fair. Accordingly, the market price and performance of the combined company' s common stock is likely to be different from the performance of our units prior to the closing of the merger. We have incurred and expect to continue to incur substantial costs, fees, expenses, and charges related to the merger and integration, and may incur additional costs we do not currently anticipate. We have incurred and expect to continue to incur additional costs, fees, expenses, and charges related to the merger and integration. We may incur additional costs that we do not currently anticipate. These costs include and may include legal, financial advisory, accounting, consulting and other advisory fees, retention, severance and employee benefit- related costs, public company filing fees and other regulatory fees, as well as closing, integration and other related costs. Some of the costs are payable regardless of whether or not the merger is completed. We may be unable to retain personnel successfully while the merger is pending or after the merger is completed. The success of the merger will depend in part on our ability to retain key employees while the merger is pending or after the merger is consummated. If we are unable to retain key employees, including management, who are critical to the successful completion, integration and future operation of the combined company, we could face disruption in our operations, loss of key information, expertise or know- how, or unanticipated recruiting costs, which may impact our ability to achieve our goals related to the transaction. The announcement or completion of the proposed merger may disrupt and / or harm our current plans and operations or those of Six Flags, may divert management' s time and attention and may affect existing business relationships, any of which may impact financial performance, operating results and / or our ability to achieve the benefits of the merger. The announcement or completion of the proposed merger may disrupt and / or harm our current plans and operations and / or those of Six Flags. Management' s time and attention also may be diverted on transaction- related issues. There also may be adverse reactions to or changes in business relationships as a result of the announcement or completion of the merger. Any of these factors could affect our and / or Six Flags' financial performance or operating results, and / or could impact our ability to achieve the benefits of the merger. Regulatory approvals may not be received, may take longer than expected, or may impose conditions that are not presently anticipated or that affect the anticipated benefits of the merger. Before the merger may be completed, various approvals, consents and non- objections must be obtained from regulatory authorities in the United States and Mexico. These approvals could be delayed or not obtained at all, which could disrupt operations, or could delay or adversely affect completion of the merger. In Mexico, on January 25, 2024, the Mexican Federal Competition Commission concluded its review of the transactions and determined to allow the transactions to proceed as proposed, subject to customary statutory requirements. On January 22, 2024, Six Flags and Cedar Fair each received a request for additional information and documentary materials (a" Second Request") from the U. S. Department of Justice (" DOJ") in connection with the DOJ' s review of the merger. The effect of a Second Request is to extend the waiting period imposed by the Hart- Scott- Rodino Act (" HSR Act"), until 30 days after each of Six Flags and Cedar Fair has substantially complied with the Second Request issued to it, unless that period is extended voluntarily by the parties or terminated earlier by the DOJ. The Second Request, and any further inquiries or actions from the DOJ, could have the effect of substantially delaying, imposing restrictions on, or impeding or precluding the completion of the proposed merger. In**

deciding whether to grant antitrust clearance, the DOJ will consider the effect of the merger on competition and take such action under the antitrust laws as it deems necessary or desirable in the public interest. The DOJ may take steps to prevent the merger, or the approvals that are granted may impose terms and conditions, including requiring the parties to seek divestitures of substantial assets, limitations, obligations or costs, or place restrictions on the conduct of the combined company' s business or require changes to the terms of the transactions contemplated by the merger agreement, which could affect the anticipated benefits of the merger. The merger agreement may be terminated in accordance with its terms, and the merger may not be completed, which could negatively impact our business, financial results, and / or unit price. The merger agreement is subject to a number of conditions which must be satisfied or waived in order to complete the merger, including approval of Six Flags' stockholders. If the merger is not completed or is delayed for any reason, there may be adverse consequences and we may experience negative reactions from investors, the financial markets, our customers, our vendors and / or our employees. The merger agreement subjects Six Flags and Cedar Fair to restrictions on their respective business activities prior to the closing of the merger. The merger agreement subjects Six Flags and Cedar Fair to restrictions on their respective business activities prior to the closing of the merger. The merger agreement obligates each of Six Flags and Cedar Fair to generally conduct its businesses in the ordinary course until the closing and to use its reasonable best efforts to (i) preserve intact their current business organizations, (ii) preserve their assets and properties in good repair and condition and (iii) keep available the services of their current officers and other key employees and preserve their relationships with those having business dealings with Six Flags and Cedar Fair. These restrictions could prevent Six Flags and Cedar Fair from pursuing certain business opportunities that arise prior to the closing and are outside the ordinary course of business. The merger agreement limits Cedar Fair’ s ability to pursue alternative transaction proposals, which may discourage other companies from making a favorable alternative transaction proposal. The merger agreement contains certain provisions that restrict Cedar Fair’ s ability to solicit, initiate or knowingly encourage (including by way of furnishing information), or take any other action designed to facilitate, any inquiries regarding, or the making of, any proposal the consummation of which would constitute an “ Alternative Transaction ”, which includes, among other things: any transaction or series of transactions which result in the acquisition of more than 20 % of the outstanding equity or voting power of Cedar Fair; any merger, consolidation, share exchange or similar transaction resulting in the acquisition or, or acquisition of control over, assets or business representing 20 % or more of the consolidated revenues, net income or assets of Cedar Fair; or any transaction resulting in the disposition of assets representing 20 % or more of the consolidated revenues, net income or assets of Cedar Fair (each such transaction or series of transactions, an “ Alternative Transaction ”). Additionally, Cedar Fair is subject to restrictions on its ability to participate in any discussions or negotiations, or cooperate with any third parties with respect to any inquiries regarding, or the making of, any proposal the consummation of which would constitute an Alternative Transaction. These provisions could discourage a potential third- party acquirer or other strategic transaction partner that might have an interest in acquiring all or a significant portion of Cedar Fair from considering or pursuing an Alternative Transaction. Litigation relating to the proposed merger may be filed against Six Flags, us and / or each entity' s board of directors that could prevent or delay the closing and / or result in the payment of damages. In connection with the proposed merger, it is possible that the stockholders of Six Flags and / or our unitholders may file lawsuits against Six Flags, us and / or each entity' s board of directors. Among other remedies, these stockholders and / or unitholders could seek damages and / or to enjoin the merger. Any such potential lawsuits could prevent or delay the closing and / or result in substantial costs to us. The outcome of any such actions would be uncertain and may create uncertainty relating to the merger and may be costly and distracting to management. Further, the defense or settlement of any lawsuit or claim that remains unresolved at the time of the merger may adversely affect our business, financial condition, results of operations and cash flows or those of the combined entity. Our unitholders as of immediately prior to the merger will have reduced ownership in the combined company. Following the closing of the proposed merger, Six Flags’ existing stockholders are expected to own approximately 48. 8 % of the issued and outstanding shares of the combined company and our existing unitholders are expected to own approximately 51. 2 % of the issued and outstanding shares of the combined company, in each case on a fully diluted basis. As a result, existing Cedar Fair unitholders will have less influence on the policies of the combined company than they currently have on the policies of Cedar Fair. Declaration, payment and amounts of dividends, if any, distributed to stockholders of the combined company will be uncertain. Although we have paid cash distributions on our units in the past, the combined company board may determine not to declare dividends in the future or may reduce the amount of dividends paid in the future. Any payment of future dividends will be at the discretion of the combined company board and will depend on the combined company' s results of operations, financial condition, cash requirements, future prospects and other considerations that the combined company board deems relevant. Even if the merger otherwise qualifies for tax- free treatment, a unitholder will recognize taxable gain upon the exchange of units if and to the extent that the aggregate amount of our liabilities attributable for tax purposes to the units exchanged by the unitholder exceeds the unitholder’ s aggregate tax basis in the units exchanged. It is intended that, for U. S. federal income tax purposes, the merger qualify as a transaction described in Section 351 of the Code pursuant to which generally no gain or loss is recognized. However, even if the merger qualifies as a transaction described in Section 351 of the Code, under Section 357 (c) of the Code, if a corporation assumes or is treated for U. S. federal income tax purposes as having assumed liabilities of the transferor or accepts property subject to liabilities in an exchange described in Section 351 of the Code, the transferor generally must recognize taxable gain in the amount by which the liabilities exceed the transferor’ s basis in the property contributed to the corporation. Under Section 752 of the Code, the liabilities of the Partnership are allocated to its unitholders and as a result of the merger, the liabilities allocated to the unitholders will be treated as having been assumed by the successor

combined company and will be subject to Section 357 (c) of the Code. Accordingly, a unitholder will recognize taxable gain upon the exchange of units in the merger if and to the extent that (i) the aggregate amount of the Partnership liabilities attributable to the units exchanged by the unitholder exceeds (ii) the unitholder' s aggregate tax basis in the units exchanged by such unitholder. Our non- U. S. unitholders will be subject to withholding in the exchange of partnership units for the successor merged company stock and the applicable withholding agent may satisfy such withholding by retaining shares of the successor merged company stock or cash or other property of our non- U. S. unitholder. Our non- U. S. unitholders are taxed by the U. S. on income effectively connected with the conduct of a U. S. trade or business, unless exempted or further limited by an income tax treaty. Each non- U. S. holder is considered to be engaged in business in the U. S. because of their ownership of our units. Furthermore, it is probable that such non- U. S. holders are deemed to conduct such activities through permanent establishments in the U. S. within the meaning of applicable tax treaties. Treasury Regulations under Section 1446 (f) of the Code provide that the broker effecting the transfer of a unitholder' s interest in a publicly traded partnership engaged in a U. S. trade or business, such as the Partnership, is required to withhold 10 % of the amount realized, even if the exchange otherwise qualified for nonrecognition treatment for U. S. federal income tax purposes. Our non- U. S. holders should expect to have the applicable withholding agent withhold 10 % of the gross proceeds received by the non- U. S. unitholder, and the applicable withholding agent may satisfy such withholding by withholding shares of the successor merged company or cash or other property of the non- U. S. unitholder. The Amendments, as defined in Note 6 of the Consolidated Financial Statements, becoming operative and payment of the Consent Payment, as defined in Note 6 to the Consolidated Financial Statements, in connection with the Consent Solicitation, as defined in Note 6 to the Consolidated Financial Statements, with respect to our bonds may result in our unitholders being allocated cancellation of debt income (CODI) for U. S. federal income tax purposes. In connection with the Consent Solicitation with respect to our bonds, the Amendments may become operative and certain holders of our bonds may receive the Consent Payment as described in Note 6. We intend to take the position that the Amendments becoming operative for any series of our bonds would not result in a significant modification or the Partnership recognizing CODI for U. S. federal income tax purposes. However, such position is not free from doubt. Payment of the Consent Payment in connection with the Consent Solicitation may result in a " significant modification " of one or more series of our bonds as determined for U. S. federal income tax purposes, and therefore, a deemed exchange of old bonds for new bonds. If one or more series of our bonds were to undergo such a significant modification, the Partnership may recognize CODI, which would be allocated and taxable to our unitholders. We are not able to calculate whether the payment of the Consent Payment will result in a significant modification or the amount of CODI, if any, that would be allocated and taxable to our unitholders until the Consent Payment is paid, which is expected to occur, if at all, upon or immediately prior to consummation of the merger. Risks Related to Our Strategy Our growth strategy may not achieve the anticipated results. Our future success will depend on our ability to grow our business ~~, including fully recovering from the effects of the COVID- 19 pandemic~~ . We grow our business through acquisitions and capital investments to improve our parks through new rides and attractions, as well as in- park product offerings and product offerings outside of our parks. Our growth and innovation strategies require significant commitments of management resources and our investments may not grow our revenues at the rate we expect or at all. As a result, we may not be able to recover the costs incurred in developing new projects and initiatives, or to realize their intended or projected benefits, which could have a material adverse effect on our business, financial condition or results of operations. We compete for discretionary spending and discretionary free time with many other entertainment alternatives and are subject to factors that generally affect the recreation and leisure industry, including general economic conditions. Our parks compete for discretionary spending and discretionary free time with other amusement, water and theme parks and with other types of recreational activities and forms of entertainment, including movies, sporting events, restaurants and vacation travel. Our business is also subject to factors that generally affect the recreation and leisure industries and are not within our control. Such factors include, but are not limited to, general economic conditions, including relative fuel prices, and changes in consumer tastes and spending habits. There may be a material adverse effect on our business, financial condition or results of operations if we are unable to effectively compete with other entertainment alternatives. The operating season at most of our parks is of limited duration, which can magnify the impact of adverse conditions or events occurring within that operating season. Twelve of our properties are seasonal and are generally open daily from Memorial Day through Labor Day. Outside of daily operations, our seasonal properties are typically open during select weekends, including at most properties in the fourth quarter for Halloween and winter events. As a result, a substantial portion of our revenues from these seasonal parks are generated from Memorial Day through Labor Day with the major portion concentrated during the peak vacation months of July and August. Consequently, when adverse conditions or events occur during the operating season, particularly during the peak vacation months of July and August or the important fall season, there is only a limited period of time during which the impact of those conditions or events can be mitigated. Accordingly, the timing of such conditions or events may have a disproportionate adverse effect upon our revenues. Risks Related to Human Capital Increased costs of labor and employee health and welfare benefits may impact our results of operations. Labor is a primary component in the cost of operating our business. Increased labor costs, due to competition, inflationary pressures, increased federal, state or local minimum wage requirements, and increased employee benefit costs, including health care costs, could adversely impact our operating expenses. **Since** ~~Over the past two to three~~ -- **the** ~~years~~ **COVID- 19 pandemic** , we experienced a meaningful increase in **the** seasonal labor rate in order to recruit employees in a challenging labor market. Continued increases to both market wage rates and the statutory minimum wage rates could also materially impact our future seasonal labor rates. It is possible that these changes could significantly increase our labor costs, which would adversely affect our operating results and cash flows. Our business depends on our ability to meet our workforce needs. Our success depends on our ability to attract, motivate and retain qualified employees to keep pace with our needs. If we are unable to do so, our results of operations and cash flows may be adversely affected. We employ a significant workforce each season. We recruit year- round to fill thousands of staffing positions to ensure the appropriate workforce is in place at the right time. **We may** ~~There is no assurance that we will~~ be ~~able~~ **unable** to recruit and hire adequate personnel as the business requires or ~~that~~ we **may** ~~will not~~ experience material increases in the cost of securing our workforce in the future. If we lose key personnel, our business may be adversely affected. Our success depends in part upon a number of key employees, including our senior management team, whose members have been involved in the leisure and hospitality industries for an average of more than 20 years. The loss of services of our key employees or our inability to replace our key employees could cause disruption in important operational, financial and strategic functions and have a material adverse effect on our business. Risks Related to Our Capital Structure The amount of our indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from fulfilling our obligations under our debt agreements. We had $ 2. 3 billion of outstanding indebtedness as of December 31, ~~2022~~ **2023** (before reduction of debt issuance costs). The amount of our indebtedness could have important consequences. For example, it could: • limit our ability to borrow money for our working capital, capital expenditures, debt service requirements, strategic initiatives or other purposes; • limit our flexibility in planning or reacting to changes in business and future business operations; and • make it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations of any of our debt instruments, including restrictive covenants and borrowing conditions, could result in an event of default under the agreements governing other indebtedness. In addition, we may not be able to generate sufficient cash flow from operations, or be able to draw under our revolving credit facility or otherwise, in an amount sufficient to fund our liquidity needs, including the payment of principal and interest on our debt obligations. If our cash flows and capital resources are insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, suspend partnership distributions, sell assets, seek additional capital or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt in the future will depend on the condition of the capital and credit markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of our existing or future debt agreements, including our credit agreement and the indentures governing our notes, may restrict us from adopting some of these alternatives. In the absence of sufficient operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due. Despite the amount of our indebtedness, we may be able to incur additional indebtedness, which could further exacerbate the risks associated with the amount of our indebtedness. Our debt agreements contain restrictions that could limit our flexibility in investing in our business, including the ability to pay partnership distributions. Our credit agreement and the indentures governing our notes contain, and any future indebtedness of ours will likely contain, a number of covenants that could impose significant financial restrictions on us, including restrictions on our and our subsidiaries' ability to, among other things: • pay distributions on or make distributions in respect of our partnership units or make other Restricted Payments, including unit repurchases; • incur additional debt or issue certain preferred equity; • make certain investments; • sell certain assets; • create restrictions on distributions from restricted subsidiaries; • create liens on certain assets to secure debt; • consolidate, merge, amalgamate, sell or otherwise dispose of all or substantially all our assets; • enter into certain transactions with our affiliates; and • designate our subsidiaries as unrestricted subsidiaries. Our credit agreement includes a Senior Secured Leverage Ratio of ~~4~~ **3** . ~~50x~~ **75x** Total First Lien Senior Secured Debt- to- Consolidated EBITDA ~~, which will step down to 4 . 00x in the second quarter of 2023 and which will step down further to 3. 75x in the third quarter of 2023. Following an amendment in the first quarter of 2023, this~~ **This** financial covenant is only required to be tested at the end of any fiscal quarter in which revolving credit facility borrowings are outstanding. Our credit agreement and fixed rate note agreements include Restricted Payment provisions, which could limit our ability to pay partnership distributions. Pursuant to the terms of the indenture governing the 2027 senior notes, which includes the most restrictive of these Restricted Payments provisions, if our pro forma Total- Indebtedness- to- Consolidated- Cash- Flow Ratio is greater than 5. 25x, we can still make Restricted Payments of $ 100 million annually so long as no default or event of default has occurred and is continuing. If our pro forma Total- Indebtedness- to- Consolidated- Cash- Flow Ratio is less than or equal to 5. 25x, we can make Restricted Payments up to our Restricted Payment pool. Variable rate indebtedness could subject us to the risk of higher interest rates, which could cause our future debt service obligations to increase. ~~Certain of~~ **Our credit agreement is and** our **future** borrowings may be at variable rates of interest and expose us to interest rate risk. If interest rates **continue to** increase, our annual debt service obligations on any variable- rate indebtedness would increase even though the amount borrowed remained the same, and our net income would decrease. Risks Related to Legal, Regulatory and Compliance Matters Cyber- security risks and the failure to maintain the integrity of internal or customer data could result in damages to our reputation and / or subject us to costs, fines or lawsuits. In the normal course of business, we, or third parties on our behalf, collect and retain large volumes of internal and customer data, including credit card numbers and other personally identifiable information, which is used for marketing and promotional purposes, and our various information technology systems enter, process, summarize and report such data. We also maintain personally identifiable information about our employees. The integrity and protection of such data is critical to our business, and our guests and employees have a high expectation that we will adequately protect their personal information. The regulatory environment, as well as the requirements imposed on us by the credit card industry, governing information, security and privacy laws is increasingly demanding and continues to evolve. Maintaining compliance with applicable security and privacy regulations may increase our operating costs and / or adversely impact our ability to market our parks, products and services to our guests. Furthermore, if a person could circumvent our security measures, he or she could destroy or steal valuable information or disrupt our operations. Any security breach could expose us to risks of data loss, which could harm our reputation and result in remedial and other costs, fines or lawsuits. Although we carry liability insurance to cover this risk, ~~there can be no assurance that~~ our coverage ~~will~~ **may not** be adequate to cover liabilities, **and** ~~or that~~ we ~~will~~ **may not** be able to obtain adequate coverage should a catastrophic incident occur. Our operations, our workforce and our ownership of property subject us to various laws and regulatory compliance, which may create uncertainty regarding future expenditures and liabilities. We may be required to incur costs to comply with regulatory requirements, such as those relating to employment practices, environmental requirements, and other regulatory matters, and the costs of compliance, investigation, remediation, litigation, and resolution of regulatory matters could be substantial. We may also be required to incur additional costs and commit management resources to comply with proposed regulatory requirements that may become effective in the near future, including **ESG** ~~environmental, social and governance~~ initiatives **,** ~~(" ESG")~~ which continue to be a focus for investors and other stakeholders. Any ESG initiatives entered into by us may not realize their intended or projected benefits. We are subject to extensive federal and state employment laws and regulations, including wage and hour laws and other pay practices and employee record- keeping requirements. We periodically have had to, and may have to, defend against lawsuits asserting non-compliance. Such lawsuits can be costly, time consuming and distract management, and adverse rulings in these types of claims could negatively affect our business, financial condition or results. We also are subject to federal, state and local environmental laws and regulations such as those relating to water resources; discharges to air, water and land; the handling and disposal of solid and hazardous waste; and the cleanup of properties affected by regulated materials. Under these laws and regulations, we may be required to investigate and clean up hazardous or toxic substances or chemical releases from current or formerly owned or operated facilities or to mitigate potential environmental risks. Environmental laws typically impose cleanup responsibility and liability without regard to whether the relevant entity knew of or caused the presence of the contaminants. The costs of investigation, remediation or removal of regulated materials may be substantial, and the presence of those substances, or the failure to remediate a property properly, may impair our ability to use, transfer or obtain financing regarding our property. Our tax treatment is dependent on our status as a partnership for federal income tax purposes. If the tax laws were to treat us as a corporation or we become subject to a material amount of entity- level taxation, it may substantially reduce our available cash. We are a limited partnership under Delaware law and are treated as a partnership for federal income tax purposes. A change in current tax law may cause us to be taxed as a corporation for federal income tax purposes or otherwise subject us to taxation as an entity. If we were treated as a corporation for federal income tax purposes, we would pay federal income tax on our entire taxable income at the corporate tax rate, rather than only on the taxable income from our corporate subsidiaries, and may be subject to additional state taxes at varying rates. Further, unitholder distributions would generally be taxed again as corporate distributions or dividends and no income, gains, losses, or deductions would flow through to unitholders. Because additional entity level taxes would be imposed upon us as a corporation, our available cash could be substantially reduced. Although we are not currently aware of any legislative proposal that would adversely impact our treatment as a partnership, we are unable to predict whether any changes or other proposals will ultimately be enacted. Our status as a partnership for federal income tax purposes subjects us and our unitholders to additional tax reporting that may be costly and may increase complexity. Because we are treated as a partnership for federal income tax purposes, we are required to annually report to our unitholders certain partnership items. The nature of these items and the evolving legislation surrounding these reporting requirements may increase our unitholders' compliance cost and the cost of owning our units. General Risk Factors Other factors, including local events, natural disasters, pandemics and terrorist activities, or threats of these events, could adversely impact park attendance and our revenues. Lower attendance may result from various local events, natural disasters, pandemics or terrorist activities, or threats of these events, all of which are outside of our control.