

## Risk Factors Comparison 2025-02-28 to 2024-03-06 Form: 10-K

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You should carefully consider the risk factors set forth below and the other information in this Annual Report on Form 10-K. The matters discussed in the risk factors, and additional risks and uncertainties not currently known to us or that we currently deem immaterial, could have a material adverse effect on our business, financial condition, results of operation and future growth prospects. Risks Related to the Demand for Expedition Travel Events and conditions around the world, including war and other military actions, such as the civil unrest in Ecuador, the Israel- Hamas war, the ongoing conflict between Russia and Ukraine, ~~inflation, higher fuel prices, higher interest rates and other general concerns about the state of the economy~~ or other events impacting the ability or desire of people to travel, have led, and may in the future lead, to a decline in demand for expedition travel, ~~negatively impacting our operating costs and profitability~~. We have been, and may continue to be, impacted by the public's concerns regarding the health, safety and security of travel, including government travel advisories and travel restrictions, political instability and civil unrest, terrorist attacks, war and military action, most recently the civil unrest in Ecuador, the war between Israel and Hamas, the continuing conflict resulting from the Russian invasion of Ukraine, and other general concerns. The ~~current~~ invasion of Ukraine and its resulting impacts, including supply chain disruptions, increased fuel prices and international sanctions and other measures that have been imposed, have adversely affected, and may continue to adversely affect, our business. Additionally, we have been, and may continue to be, impacted by heightened regulations around customs and border control, travel bans to and from certain geographical areas, voluntary changes to our itineraries in light of geopolitical events, government policies increasing the difficulty of travel and limitations on issuing international travel visas. Adverse worldwide economic,geopolitical or other conditions could reduce the demand for expedition travel and adversely impact our operating results,cash flows and financial condition.The demand for travel experiences,including expedition cruises and land- based travel,may be adversely affected by international,national and local economic and geopolitical conditions.In particular,a deterioration in global economic conditions that adversely affects discretionary income and consumer confidence may,in turn,result in decreased bookings,prices and onboard revenues for the expedition and cruise industries.Uncertain economic conditions also impact consumer confidence and pose a risk as vacationers may postpone or reduce discretionary spending. We have been and may continue to be impacted by inflation, higher fuel prices, higher interest rates and supply chain disruptions and may also be ~~negatively~~ impacted by adverse changes in the perceived or actual economic climate, such as global or regional recessions, higher unemployment and underemployment rates and declines in income levels. **Restrictions In past recessions, demand or for extended our expeditionary travel offerings has been significantly negatively impacted, resulting in lower occupancy rates and adverse pricing. Any economic forecasts for significant increases in unemployment in the U. S. and other regions would likely have a negative impact on demand for our expeditions, and these impacts could exist for an extensive period of time. Incidents or adverse publicity concerning the cruise industry, the expedition travel industry or the travel industry in general, terrorist or pirate attacks, war, travel** restrictions, pandemics or other disruptions could affect our reputation as well as have a negative impact on our sales and results of operations.The operation and / or use of cruise ships,land tours,port facilities and shore excursions involves the risk of accidents,illnesses,mechanical failures,environmental incidents including oil spills,and other incidents.Such incidents,whether on one of our expeditions or not,may cause guests and potential guests to question their safety,health,security and vacation satisfaction,and could negatively impact our reputation.Incidents involving cruise ships,particularly the safety and security of guests and crew,media coverage thereof,as well as adverse media publicity in general concerning the cruise industry,have previously impacted and could in the future impact demand for our expeditions and pricing in the industry.The considerable expansion in the use of social media over recent years has compounded the potential scope of the negative publicity that could be generated by those incidents.If any such incident occurs during a time of high seasonal demand,the effect could disproportionately impact our results of operations for the year.In addition,incidents involving cruise ships may result in additional costs to our business,including costs related to increasing government or other regulatory oversight.Incidents involving our own fleet may result in litigation.Events such as terrorist and pirate attacks,war and other hostilities and the resulting political instability,travel restrictions,such as travel bans to and from certain geographical areas and heightened regulations around customs and border control,the spread of contagious diseases,such as COVID- 19,zika or other viruses,and other related concerns over the safety,health and security aspects of traveling,or the fear of any of the foregoing,have had,and could have in the future,a significant adverse impact on demand and pricing in the travel and vacation industry.In view of our global operations,we are susceptible to a wide range of adverse events,which could decrease demand and adversely affect our business.In addition,adverse publicity from incidents at sea or in remote locations,even when not involving any of our ships or travel offerings,may discourage prospective travelers from taking an expedition- style trip. **An Any increase restrictions** on expedition travel ~~in~~ related to health concerns or for other reasons, have materially adversely affected our business and could materially adversely affect our future financial condition and liquidity. Although ~~many~~ **most** COVID- 19 **pandemic** travel restrictions have been lifted or eased, such measures may be reimposed or extended. ~~Any cases as a result of a~~ COVID- 19 **outbreak** or **another infectious disease. Any cases of** any other health outbreak on one of our **vessels or other** vessels could result in a subsequent suspension of travel or limit our ability to disembark guests from such vessels. There can be no assurance that our guests will be able to travel to embarkation or from disembarkation destinations, or that such locations will not implement new travel restrictions which would impact our ability to sail scheduled itineraries. Travel restrictions have materially adversely impacted our business and operations, and existing or new travel restrictions or lower guest demand would

have a material adverse impact on our results of operations, financial condition and liquidity. In addition, the industry may again in the future be subject to enhanced health and hygiene requirements in attempts to counteract future outbreaks, which requirements may be costly and take a significant amount of time to implement across our expedition fleet and operations or result in cancellations. ~~We rely on supply chain vendors and third-party service providers who are integral to the operations of our businesses that may be unable or unwilling to deliver on their commitments or may act in ways that could harm our business. We rely on supply chain vendors to deliver key products to the operations of our businesses around the world. Any event impacting a vendor's ability to deliver goods of the expected quality at the location and time needed could negatively impact our ability to deliver our cruise experience. Events impacting our supply chain could be caused by factors beyond the control of our suppliers or us, including inclement weather, pandemics, travel restrictions, natural disasters, new laws and regulations, labor actions, increased demand, problems in production or distribution and /or disruptions in third-party logistics, information technology or transportation systems. Any such interruptions to our supply chain could increase our costs and could limit the availability of products critical to our operations. In order to achieve cost and operational efficiencies, we outsource to third-party vendors certain services that are integral to the operations of our global businesses, such as our onboard concessionaires, certain of our call center operations, guest port services, logistics distribution and operation of a large part of our information technology systems, which are also affected by the COVID-19 pandemic. We are subject to the risk that certain decisions are subject to the control of our third-party service providers and that these decisions may adversely affect our activities. A failure to adequately monitor a third-party service provider's compliance with a service level agreement or regulatory or legal requirements could result in significant economic and reputational harm to us. There is also a risk the confidentiality, privacy and /or security of data held by third parties or communicated over third-party networks or platforms could become compromised.~~ Risks Related to Our Business and Operations **Adverse worldwide economic, geopolitical or other....., cash flows and financial condition.** We may lose business to competitors **throughout in** the vacation market, **which would negatively impact our results of operations and financial condition.** We operate in the vacation market, and adventure travel is one of many alternatives for people choosing a vacation. We therefore risk losing business not only to other expedition and adventure travel operators, but also to other vacation operators who provide other leisure options, including hotels, resorts and package holidays and tours. **The vacation industry in general is fiercely competitive with consumers being solicited for vacation travel from a variety of sources.** We face significant competition from other vacation **and options,** adventure travel operators and cruise companies on the basis of pricing, **quality,** destination, travel advisors' **preference recommendations,** and also in terms of the nature of ships and services we offer to guests. Our competition within the expedition and cruise vacation industries depends on the destination, is fragmented, and is primarily comprised of private operators. Currently, we do not directly compete with large cruise vessels. However, large cruise operators have been expanding into the expedition cruise market, and in the event they start offering smaller sized vessels to compete directly with us and our itineraries, we would have increased competition and could face pricing pressures by such competitors through discounts or otherwise that would likely negatively impact our profitability. In the event that we do not **differentiate our offerings or otherwise do not** compete effectively **with within other-- the vacation industry and adventure travel operators and cruise companies,** our results of operations and financial position **could would be materially** adversely affected **an expedition-style trip.** An increase in **expedition ship** capacity worldwide or excess capacity in a particular market could adversely impact our expedition sales and / or pricing. Expedition sales and / or pricing may be impacted both by the introduction of new ships into the marketplace and by **our** deployment decisions of us and our competitors' **deployment decisions.** New expedition class ships have been ordered, are under construction, or have already been delivered for our competitors. The growth in capacity from these new ships and future orders, without an increase in the cruise industry's share of the vacation market, could depress expedition prices and impede our ability to maintain high yields. In addition, to the extent that we or our competitors deploy ships to a particular itinerary, and the resulting capacity in that region exceeds the demand, we may consider pricing adjustments or redeploy to other regions, either of which may result in lower than anticipated profitability. Any of the foregoing could have an adverse impact on our results of operations, cash flows and financial **condition.** Our business may be negatively affected by severe or unusual weather conditions, including climate change. Our fleet **and,** the port facilities we use, **and the destinations where we offer land expeditions** may **also** be adversely impacted by weather patterns or natural disasters or disruptions, such as hurricanes, earthquakes and changes in ice floes. From time to time, we may be forced to alter itineraries or cancel expeditions due to these or other factors, which could negatively impact our sales and profitability. Additionally, substantial changes to historical weather patterns, whether caused by climate change or other factors, including changing temperature levels, changing rainfall patterns and changing storm patterns and intensities, could significantly impact our future business. Substantial changes to historical weather patterns could result in significant negative changes to the delicate regions that our expeditions venture, such as rising temperatures in the Arctic region that could accelerate the melting of the polar ice cap or changes to the historical weather patterns in delicate areas such as the Galápagos Islands that impacts its ecosystem and, therefore, potentially impact the viability of various expeditions, such as our polar bear tours. In addition, these and any other events that impact the travel industry more generally may negatively impact our ability to deliver guests or crew to our expeditions and / or interrupt our ability to obtain services and goods from key vendors in our supply chain. Any of the foregoing could have an adverse impact on our results of operations and on industry performance. Failure to maintain our Brand License Agreement with National Geographic could adversely affect our results of operations. We have **a an on-going** Brand License Agreement with National Geographic **through 2040,** and any **early** termination or alterations to this agreement would likely have a material adverse effect on our business. Pursuant to the agreement, our owned vessels contain the phrase " National Geographic " in their names, we have access to certain of National Geographic's marks and images for advertising purposes, and we and our guests have access to National Geographic photographers, naturalists and other experts. The National Geographic agreement also serves as a significant **channel-resource** for bookings for our expedition sailing business. Our

agreement with National Geographic includes a co-selling and co-marketing arrangement through which National Geographic promotes our expedition sailing offerings in its marketing campaigns across web-based, email, print and other marketing platforms and sells our expeditions through its internal travel division. ~~The National Geographic channel represented approximately 20% of expedition sailing guest ticket revenues for 2023, 25% for 2022, and 28% for 2021.~~ National Geographic has the right in certain instances to unilaterally terminate the Brand License Agreement ~~early with us~~, including: in the event of a change of control; our failure to achieve specified growth benchmarks or capacity as of December 31, 2035; or a failure to meet product quality score benchmarks. If our agreement with National Geographic is terminated ~~early~~ or modified in any material respect, due to any of the reasons set forth above or otherwise, our results of operations may be materially adversely affected. Ship repair, revitalization delays or mechanical issues on existing vessels may result in cancellation of expeditions or unscheduled drydockings and repairs and, thus, adversely affect our results of operations. We depend on shipyards to repair, maintain and revitalize our ships on a timely basis and to ensure they remain in good working order. The sophisticated nature of repairing and revitalizing a ship involves risks, and shipyards may encounter financial, technical or design problems when doing these jobs. Delays in ship repair, revitalization or mechanical failures have in the past and may in the future result in delays or cancellations of expeditions and unscheduled drydocks and repairs of ships. If there is a significant accident, mechanical failure or similar problem involving a ship, we may have to place a ship in drydock for an extended period for repairs. Any such delays, cancellations of expeditions and / or unscheduled drydockings could have a material adverse effect on our business, results of operations and financial condition. These events and any related adverse publicity could result in lost revenue, increased operating expenses, or both, and thus adversely affect our results of operations. Delays or cost overruns or the financial difficulties of the shipyards could have a negative impact on us. Although we have no new builds currently in construction, we drydock vessels for repairs or modifications annually, and we ~~have in the past and~~ may ~~in the future~~ increase the size of our fleet by constructing or renovating additional vessels in the future. Vessel building, modification and repairs are subject to risks of delay or cost overruns caused by conditions beyond our control including, but not limited to, one or more of the following: • unforeseen engineering or construction problems; • changes to design specifications; • delays or unanticipated shortages with respect to necessary materials, equipment or skilled labor; • inability to obtain the requisite permits, approvals or certifications from governmental authorities and the applicable classification society upon completion of work; • financial difficulties of the shipyard building a vessel, including bankruptcy; • lack of shipyard availability; • work stoppages; • weather interference; and • unforeseen changes in any vessel review and / or approval processes or methodologies by authorities. Any significant delays, cost overruns or failure to timely deliver a new vessel or complete modifications or repairs on existing vessels we have committed to service our guests could adversely affect us in several ways, including delaying the implementation of our business strategies, materially increasing our cost of servicing our commitments to our guests or resulting in the cancellation of scheduled expeditions, which have occurred in the past. In addition, there are a limited number of shipyards with the capability and capacity to build, modify or repair our ships and, accordingly, increased demand for available shipyard slots could impact our ability to construct, modify or repair ships when and as planned and / or result in stronger bargaining power on the part of the shipyards. We are also at risk of a shipyard experiencing financial difficulty during the process of a new- build or vessel modification or repair, which would subject us to the risk of a shipyard ceasing operations or filing for bankruptcy before delivering a vessel to us, which could substantially delay any delivery of the vessel to us and could have a material adverse impact on our business. **We rely on supply chain vendors and third- party service providers who are integral to the operations of our businesses that may be unable or unwilling to deliver on their commitments or may act in ways that could harm our business. We rely on supply chain vendors to deliver key products to the operations of our businesses around the world. Any change in state classifications event impacting a vendor's ability to deliver goods of our workforce the expected quality at the location and time needed could materially effect negatively impact our ability to deliver our cruise experience. Events impacting our supply chain could be caused by factors beyond the control of our suppliers our- or us, including inclement weather, pandemics, travel restrictions, natural disasters, new laws and regulations, labor actions, increased demand, problems in production or distribution and / or disruptions in third- party logistics, information technology or transportation systems. Any such interruptions to our supply chain could increase our costs and could limit the availability of products critical to our operations. In order to achieve cost and operational efficiencies, we outsource to third- party vendors certain services that are integral to the operations of our global business businesses , such as our onboard concessionaires, certain of our call center operations, guest port services, logistics distribution and operation of a large part of our information technology systems, which are also affected by health pandemics . We hire are subject to the risk that certain decisions are subject to the control of our third- party service providers and that these decisions may adversely affect our activities. A failure to adequately monitor a third- party service provider' s compliance with a service level agreement or regulatory or legal requirements could result in significant economic number of shipboard personnel, independent contractors and remote location employees reputational harm to us. There is also a risk the confidentiality, privacy and / for- or security of data held by third parties our- or communicated over third- party networks or platforms expeditions. Changes to state classifications regarding remote employees and independent contractors could become compromised adversely impact our business and operations and increase our labor costs.** We must make substantial capital expenditures to maintain and / or expand our fleet, and we may not be able to obtain sufficient financing or capital on favorable terms or at all. We must make substantial capital expenditures to maintain our fleet in good working order. Maintenance capital expenditures include those associated with drydocking a vessel or modifying an existing vessel. These expenditures could increase as a result of changes in the cost of labor and materials, customer requirements, increases in our fleet size or the cost of replacement vessels, governmental regulations and maritime self-regulatory organization standards relating to safety, security or the environment; and competitive standards. In addition, maintenance capital expenditures will vary from quarter to quarter based on the number of vessels drydocked during that

quarter. Significant unexpected maintenance capital expenditures could have an adverse impact on our operations. We also may continue to make substantial capital expenditures to increase the size of our fleet by constructing or modifying vessels and may acquire existing vessels from other parties in the future. Shipyards generally require us to make installment payments on any major order prior to delivery, which requires us to obtain financing or expend a significant amount of our own money to build a new vessel or modify an existing vessel without any corresponding revenue for an extended period of time. In addition, we may not receive the expected demand for our newly constructed or acquired vessels, which could have an adverse impact on our operations. Although we believe we can access sufficient liquidity to fund our maintenance, investments, including new ship construction and vessel modification, and obligations as expected, there can be no assurances to that effect. Our ability to access additional funding as and when needed, including for new ship builds, our ability to timely refinance and / or replace our outstanding debt and credit facilities on acceptable terms or at all will depend upon numerous factors, many of which are beyond our control. Our inability to access sufficient liquidity on favorable terms when needed would have a negative impact on our ability to expand our fleet, our results of operations and our financial condition. Unavailability of ports of call **and expedition destinations** may adversely affect our results of operations. The availability of ports and **expedition destinations** is affected by a number of factors, including existing capacity constraints, constraints related to the size of certain ships, and regulations, security, environmental and health concerns, adverse weather conditions and natural disasters, financial limitations on port development, exclusivity arrangements that ports may have, geopolitical developments, such as the Russia / Ukraine conflict, local governmental regulations and local community concerns about port development and other adverse impacts on their communities from additional tourists and overcrowding. In addition, **the ability to have guests travel to an expedition destination and** fuel costs may adversely impact the destinations on certain of our itineraries. Certain ports and **expedition destinations** are facing a surge of ~~both cruise and non-cruise~~ tourism that, in certain cases, has fueled anti- tourism sentiments and related countermeasures to limit the volume of tourists allowed in these destinations, including proposed limits on cruise ships and cruise passengers **or tourists in general**. Any limitations on the availability or feasibility of our ports of call **or expedition destinations** could adversely affect our results of operations. **. Any change in federal or state classifications of our workforce could materially effect our business. We hire a significant number of shipboard personnel, independent contractors and remote location employees for our expeditions. Changes to federal or state classifications regarding remote employees and independent contractors could adversely impact our business and operations and increase our labor costs**. Conducting business globally may result in increased costs and other risks. We operate our business globally and plan to continue to expand our international presence. Operating internationally exposes us to a number of risks, including unstable local economic conditions, volatile local political conditions, potential changes in duties and taxes, including changing interpretations of existing tax laws and regulations, potential changes in local laws, rules and regulations, required compliance with additional laws and policies affecting cruising, vacation or maritime businesses or governing the operations of foreign-based companies, currency fluctuations, interest rate movements, government controlled fuel prices, difficulties in operating under local business environments, U. S. and global anti- bribery laws and regulations, imposition of trade barriers, and restrictions on repatriation of earnings. If we are unable to adequately address these risks, our financial position and results of operations could be adversely affected, including potentially impairing the value of our ships, goodwill and other assets. Operating globally also exposes us to numerous and sometimes conflicting legal and regulatory requirements. In many parts of the world, including countries in which we operate, practices in the local business communities might not conform to international business standards. We must adhere to policies designed to promote legal and regulatory compliance with applicable laws and regulations. However, we might not be successful in ensuring that our employees, agents, representatives and other third parties with whom we associate throughout the world properly adhere to these laws and regulations. Failure by us, our employees or any of these third parties to adhere to our policies or applicable laws or regulations could result in penalties, sanctions, damage to our reputation and related costs which in turn, could negatively affect our results of operations and cash flows. Our efforts to expand our business into new markets, complete acquisitions or realize the anticipated benefits thereof may not be successful. Expansion into new markets requires significant levels of investment. There can be no assurance that any new markets will develop as anticipated or that we will have success in any new markets and, if we do not, we may be unable to recover our investment, which could adversely impact our business, financial condition and results of operations, including potentially impairing the value of our goodwill. We also expect to continue to pursue acquisitions in the future, which are subject to, among other factors, our ability to identify attractive business opportunities and negotiate favorable terms for such opportunities. Accordingly, we cannot make any assurances that past or future acquisitions will be completed timely or at all or that, if completed, we would realize the anticipated benefits of such acquisition. Acquisitions also carry inherent risks such as, among others: (i) the potential delay or failure of our efforts to successfully integrate business processes and realizing expected synergies; (ii) difficulty in aligning procedures, controls and / or policies; and (iii) future unknown liabilities and costs that may be associated with an acquisition. In addition, acquisitions may also adversely impact our liquidity and / or debt levels, and the recognized value of goodwill and other intangible assets can be negatively affected by unforeseen events and / or circumstances, which may result in an impairment charge. Any of the foregoing events could adversely impact our financial condition and results of operations. If our redeployment of vessels to a new market with new itineraries is not successful, our business and operating results may be adversely affected. We cannot predict whether new expeditions and new itineraries that we may offer in connection with the redeployment of any of our vessels will attract a number of guests comparable to previous expeditions. If redeployments and new expeditions do not attract as many guests as past expeditions or if there is a delay in finalizing or marketing the new itineraries, our business and operating results may be adversely affected. Failure to develop the value of our brands and differentiate our products could adversely affect our results of operations. Our success depends on the strength and continued development of our expedition brands and on the effectiveness of our brand strategies. Failure to protect and differentiate our brands from competitors throughout the vacation market could adversely affect our results of operations.

We have a relationship with World Wildlife Fund (“ WWF ”), and the termination **of** or alterations **in-to** this relationship may have an adverse effect on our Natural Habitat business. WWF is a leading conservation organization whose mission is to conserve nature and reduce the most pressing threats to the diversity of life on Earth. Natural Habitat partners with WWF to offer conservation travel through a license agreement that allows Natural Habitat to use the WWF name and logo in return for a royalty fee, through December 2028. If Natural Habitat’s license agreement with WWF was terminated or modified in any material respect, our results of operations for the Land Experiences segment may be materially adversely affected. Environmental, labor, health and safety, financial responsibility and other maritime regulations could affect operations and increase operating costs. **The** ~~Due to concern over the risk of climate change or otherwise, the~~ United States and various state and foreign government or regulatory agencies have enacted or are considering new environmental regulations or policies, such as requiring the use of low sulfur fuels, increasing fuel efficiency requirements, further restricting emissions, or other initiatives to limit greenhouse gas emissions compliance with changes in such laws, regulations and obligations could increase costs related to operating and maintaining our vessels and require us to install new emission controls, acquire allowances or pay taxes related to our greenhouse gas emissions, or administer and manage a greenhouse gas emissions program. Revenue generation and strategic growth opportunities could also be adversely affected by compliance with such changes. In addition, we are subject to various international, national, state and local laws, regulations and treaties that govern, among other things, safety standards applicable to our ships, treatment of disabled persons, health and sanitary standards applicable to our guests, security standards on board our ships and at the ship / port interface areas, and financial responsibilities to our guests. These issues are, and we believe will continue to be, an area of focus by the relevant authorities throughout the world. This could result in the enactment of more stringent regulation of cruise ships that could subject us to increasing compliance costs in the future. Our operating costs could continue to increase due to market forces, inflation, supply chain disruptions and economic or geopolitical factors beyond our control. Our capital expenditure and operating costs, including food, hotel, payroll, fuel, maintenance and repair, airfare, taxes, insurance and security costs, have risen **throughout 2022 and 2023 in recent years**, and are subject to future increases due to market forces, inflation, supply chain disruptions and economic or political conditions or other factors beyond our control. If prices continue to rise significantly in a short period of time, we may be unable to sufficiently increase fares or other fees to fully offset our increased costs. Increases in capital expenditures and operating costs generally negatively adversely affect our profitability. Historically, we have been able to obtain insurance coverage in amounts and at premiums we have deemed to be commercially acceptable. No assurance can be given that affordable and secure insurance markets will be available in the future, particularly for war risk insurance. All of our insurance coverage is subject to certain limitations, exclusions and deductible levels. **We may be unable recruit, develop..... adversely impact our business and operations.** Price increases for commercial airline service for our guests or major changes or reductions in commercial airline service and / or availability could increase our operating expenses and adversely impact the demand for expedition travel. Most of our guests depend on scheduled commercial airline services to transport them to or from the ports or places where our expeditions start or end. Increases in the price of airfare would increase the overall price of the expedition vacation to our guests, which may adversely impact demand for our expeditions. In addition, changes in the availability of commercial airline services (whether due to price increases, a reduction in direct flights, flight cancellations or other factors) could adversely affect our guests’ ability to obtain air transport, which could adversely affect our results of operations. Our reliance on travel advisors to sell and market our cruises exposes us to certain risks that, if realized, could adversely impact our business. Because we rely on travel advisors to generate a substantial portion of the bookings for our ships, we must ensure that our commission rates and incentive structures remain competitive. If we fail to offer competitive compensation packages, these advisors may be incentivized to sell vacation packages offered by our competitors to our detriment, which could adversely impact our operating results. In addition, the travel advisor industry is sensitive to economic conditions that impact discretionary income. Significant disruptions or contractions in the industry could reduce the number of travel advisors available for us to market and sell our expeditions, which could have an adverse impact on our financial condition and results of operations. Disruptions in our shoreside operations or our information systems may adversely affect our results of operations. Our principal executive offices are located in New York, New York, our principal shoreside operations are located in Seattle, Washington, our shoreside Galápagos’ offices in Ecuador, and our subsidiary operation offices are located in Louisville, Colorado, Bozeman, Montana, Somerville **and Watertown**, Massachusetts, and La Jolla, California. **We also lease office space, land and camps in Tanzania**. Actual or threatened natural disasters (e. g., hurricanes, earthquakes, tornadoes, fires, and floods), terrorist attacks, or other similar disruptive events in these locations may have a material impact on our business continuity, reputation and results of operations. In addition, substantial or repeated information systems failures, computer viruses or cyber- attacks impacting our shoreside or shipboard operations could adversely impact our business. We carry business interruption insurance to transfer standard insurable risks for our shoreside operations and cyber liability for our information systems. Any losses or damages incurred by us in excess of our insurance coverage could have an adverse impact on our results of operations. Fluctuations in foreign currency exchange rates could affect our financial results. We pay expenses, recognize assets and incur liabilities in currencies other than the U. S. dollar. Because our consolidated financial statements are presented in U. S. dollars, we must convert expenses and liabilities into U. S. dollars at exchange rates in effect during or at the end of each reporting period. Therefore, absent offsetting changes in other foreign currencies, increases or decreases in the value of the U. S. dollar against other major currencies will affect our net income and the value of balance sheet items denominated in foreign currencies. We use limited financial instruments, such as foreign currency forward contracts and swaps, to mitigate our net balance sheet exposure to currency exchange rate fluctuations. However, there can be no assurances that fluctuations in foreign currency exchange rates, particularly the strengthening of the U. S. dollar against major currencies, would not materially affect our financial results. In addition, we have ship maintenance contracts, and may have ship construction contracts in the future, that are denominated in currencies other than the U. S. dollar. We have entered into, and may enter into in the future, forward contracts and / or options to manage a portion of the currency

risk associated with these contracts, and we are or may be exposed to fluctuations in the exchange rates for the portions of the contracts that have not been hedged. Additionally, if a shipyard is unable to perform under such a contract, any foreign currency forward contracts that were entered into to manage the currency risk would need to be terminated. Termination of any such contracts could result in a significant loss. The loss of key personnel, our inability to recruit or retain qualified personnel, or disruptions among our shipboard personnel due to strained employee relations could adversely affect our results of operations. Our success depends, in large part, on the reputation, skills and contributions of key executives, and other employees, and on our ability to recruit and retain high quality personnel. Our management team is comprised of individuals with a diverse knowledge base and skill sets acquired through extensive experience in expedition cruising, adventure travel, and hospitality. ~~We must continue to sufficiently recruit, retain, train and motivate our employees to maintain our current business and support our projected growth.~~ A loss of key executives or other key employees or disruptions among our personnel could adversely affect our results of operations. We may also be unable to recruit, develop, and retain qualified shipboard personnel who need to live away from home for extended periods of time and other qualified employees, which may adversely impact our business operations, guest services and satisfaction. We hire a significant number of qualified shipboard personnel each year and, thus, our ability to adequately recruit, develop and retain these individuals is critical to our success. Incidents involving cruise ships, including isolated ~~health~~ **COVID-19** infections that could result in potential outbreaks on our ships, and the related adverse media publicity, and adverse economic conditions that negatively affect our profitability could negatively impact our ability to recruit, develop, and retain sufficient qualified shipboard personnel. In addition, in general, the United States is experiencing a labor shortage and our ability to attract, recruit, develop, and retain qualified personnel is more difficult, and any shortage of qualified employees could adversely impact our **business and operations.** operations. We rely on third- party providers of various services integral to the operation of our businesses. These third parties may act in ways that could harm our business. In order to achieve cost and operational efficiencies, we outsource to third- party vendors certain services that are integral to the operations of our global businesses. We are subject to the risk that certain decisions regarding the provision of such services are subject to the control of third- party service providers and that those decisions may adversely affect our activities. A failure to adequately monitor a third- party service provider's compliance with a service level agreement or regulatory or legal requirements could result in significant economic and reputational harm to us. There is also a risk that the confidentiality, privacy and / or security of data held by third parties or communicated over third- party networks or platforms could become compromised. Such a breach could adversely affect our reputation and in turn adversely affect our business. A failure to keep pace with developments in technology or technological obsolescence could impair our operations or competitive position. Our business continues to demand the use of sophisticated technology and systems, such as reservations and reporting systems. These technologies and systems must be refined, updated and / or replaced with more advanced systems in order to continue to meet our guests' demands and expectations. If we are unable to do so in a timely manner or within reasonable cost parameters or if we are unable to appropriately and timely train our employees to operate any of these new systems, our business could suffer. We also may not achieve the benefits that we anticipate from any new technology or system, and a failure to do so could result in higher than anticipated costs or could impair our operating results. ~~Our failure to properly and efficiently implement and operate our reservations and customer relationship management ("CRM") computer systems could materially disrupt our operations, adversely impact the servicing of our customers and have a material adverse effect on our financial performance. We recently implemented new reservations and CRM systems to modernize and improve current capabilities. The new systems are intended to combine enterprise resource planning solutions, machine learning and custom-built applications to address, among other areas, account management, billing and customer service. The new systems also intend to improve functionality and information flow, help generate higher revenues and increase automation in servicing our customers through the use of artificial intelligence. The failure to properly, efficiently and economically operate the new systems could materially disrupt our operations, adversely impact the servicing of our customers and have a material adverse effect on our financial~~ results. Our information technology systems are subject to cyber and other risks, some of which are beyond our control, which could have a material adverse effect on our business, results of operations and financial position. We rely heavily on the proper functioning and availability of our information systems for our operations as well as for providing services to our customers. Our information systems, including our accounting, communications and data processing systems, as well as our maritime and / or shoreside operations, are integral to the efficient operation of our business. It is critical that the data processed by these systems remain confidential, as it often includes competitive customer information, confidential customer personally identifiable information and transaction data, employee records and key financial and operational plans, results and statistics. The sophistication of efforts by hackers, foreign governments, cyber- terrorists, and cyber- criminals, acting individually or in coordinated groups, to launch distributed denial of service attacks or other coordinated attacks that may cause service outages, gain inappropriate or block legitimate access to systems or information, or result in other business interruptions has continued to increase in recent years. We utilize third- party service providers who have access to our systems and certain sensitive data, which exposes us to additional security risks, particularly given the complex and evolving laws and regulations regarding privacy and data protection. Cyber incidents that impact the security, availability, reliability, speed, accuracy or other proper functioning of our systems, information and measures, including outages, computer viruses, break- ins and similar disruptions, could have a significant impact on our operations. Although our information systems are protected through physical and software safeguards, as well as redundant systems, network security measures and backup systems, it is difficult to fully protect against the possibility of power loss, telecommunications failures, cyber- attacks, and other cyber incidents in every potential circumstance that may arise. A significant cyber incident, including system failure, security breach, disruption by malware or ransomware, or other damage, could interrupt or delay our operations, damage our reputation and brand, cause a loss of customers, expose us to a risk of loss or litigation, result in regulatory scrutiny, investigations, actions, fines or penalties and / or cause us to incur significant time and expense to remedy such an event, any of which could have a material adverse impact on

our results of operations and financial position. Furthermore, any failure to comply with data privacy, security or other laws and regulations could result in claims, legal or regulatory proceedings, inquiries or investigations. As cyber threats are continually evolving, our controls and procedures may become inadequate, and we may be required to devote additional resources to modifying or enhancing our systems in the future. Furthermore, while we maintain insurance intended to address costs associated with aspects of cyber incidents, network failures and data privacy-related concerns, our coverage may not sufficiently cover all types of losses or claims that may arise. Litigation, enforcement actions, fines or penalties could adversely impact our financial condition or results of operations and / or damage our reputation. Our business is subject to various U. S. and international laws and regulations that could lead to enforcement actions, fines, civil or criminal penalties or the assertion of litigation claims and damages. In addition, improper conduct by our employees, agents, partners, or expedition representatives could damage our reputation and / or lead to litigation or legal proceedings that could result in civil or criminal penalties, including substantial monetary fines. In certain circumstances, it may not be economical to defend against such matters and / or a legal strategy may not ultimately result in us prevailing in a matter. Such events could lead to an adverse impact on our financial condition or results of operations. In addition, as a result of any ship-related or other incidents, claims, enforcement actions and regulatory actions and investigations, including, but not limited to, those arising from personal injury, loss of life, loss of or damage to personal property, business interruption losses or environmental damage to any affected coastal waters and the surrounding area, may be asserted or brought against various parties, including us and / or our subsidiaries. The time and attention of our management may also be diverted in defending such claims, actions and investigations. Subject to applicable insurance coverage, we may also incur costs both in defending against any claims, actions and investigations and for any judgments, fines, civil or criminal penalties if such claims, actions or investigations are adversely determined. An inability to obtain adequate insurance coverage could adversely affect our business, financial condition and results of operations. While we maintain comprehensive insurance and believe that our current coverage is at appropriate levels, we are not protected against all risks, and there can be no assurance that any particular claim will be fully paid by our insurance. Such losses, to the extent they are not adequately covered by contractual remedies or insurance, could affect our financial results. Our protection and indemnity (“ P & I ”) liability insurance is placed on a mutual basis, and we are subject to additional premium calls in amounts based on claim records of all members of the P & I Club (i. e., mutual association) in which our ships are entered. We are also subject to additional premium assessments including, but not limited to, investment or underwriting shortfalls experienced by the P & I Club. If we were to sustain significant losses in the future, our ability to obtain insurance coverage at all or at commercially reasonable rates could be materially adversely affected. Moreover, irrespective of the occurrence of such events, there can still be no assurance that we will be able to obtain adequate insurance coverage at commercially reasonable rates or at all.

**Regulatory Risks** A change in our tax status under the United States Internal Revenue Code of 1986, as amended (the “ Code ”), or other jurisdictions, may have adverse effects on our income. At the present time, many of our subsidiaries that are foreign corporations do not derive any significant income from sources within the United States and are not subject to significant U. S. federal income taxes. Any income earned by these subsidiaries from sources within the U. S. generally is subject to U. S. federal income tax (and U. S. branch profits tax) unless the requirements of the exemption under Section 883 of the Code are met. Although we expect that any U. S. source income of our foreign subsidiaries will generally qualify for the benefits of the Section 883 exemption, there is no assurance that such benefits will be available. In addition, the enactment of legislation implementing changes in taxation of international business activities, the adoption of other corporate tax reform policies, or changes in tax legislation or policies could materially affect our financial position and results of operations. In general, changes in tax laws may affect our tax rate, increase our tax liabilities, the carrying value of deferred tax assets, or our deferred tax liabilities. Any substantial changes in international corporate tax policies, enforcement activities or legislative initiatives may materially and adversely affect our business, the amount of taxes we are required to pay and our financial condition and results of operations generally. Restrictions on travel or access to certain protected or preserved areas could adversely affect our business. Our ability to follow our planned itinerary for any expedition cruise may be affected by a number of factors, including security concerns, adverse weather conditions and natural disasters, local government regulations and restrictions and other restrictions on access, including access to protected or preserved areas. For instance, the number of visitors admitted to the Galápagos National Park at any given time is limited by the number of “ cupos ” permits issued by the Galápagos National Parks Service. In November 2021, the Special Law of Special Regimen for Province of Galápagos was modified to provide that owners of cupos sign a 20- year term contract with the Province of Galápagos, with such contract being subject to early termination by the government for non- compliance with the terms of the contract and applicable law regulations. The 20- year term is renewable by the cupos owner upon expiration of the contract, and cupos contracts that are terminated early shall, within one year of the non- renewal or early termination, be submitted to a public auction for a 20 year- term upon verification of compliance with certain environmental regulatory conditions. Our rights to operate in the Galápagos Islands are therefore subject to annual renewal based on the law and decree regarding the compliance with environmental and other applicable laws and regulations. If the Galápagos National Parks Service were to further restrict access to the park, we might be required to alter certain of our travel itineraries. Such a development would negatively impact our business and revenues. Changes in other governmental and environmental rules and regulations in the Galápagos Islands and other travel destinations could also cause sudden losses in revenue, together with additional expenditures due to the need to revise our existing itineraries. Restrictions on access for us and our guests to other protected or preserved areas, including national parks, may result in losses in revenues typically generated by our expeditions to such areas. Failure to comply with data privacy and security laws and regulations could adversely affect our operating results and business. A number of U. S. states have enacted data privacy and security laws and regulations that govern the collection, use, disclosure, transfer, storage, disposal, and protection of sensitive personal information, such as social security numbers, financial information and other personal information. For example, several U. S. territories and all 50 states now have data breach laws that require timely notification to individual victims, and at times

regulators, if a company has experienced the unauthorized access or acquisition of sensitive personal data. Other state laws include the California Consumer Privacy Act (“CCPA”), which contains disclosure obligations for businesses that collect personal information about California residents and affords those individuals new rights relating to their personal information that may affect our ability to use personal information or share it with our business partners. In addition, numerous other states, such as Colorado and Virginia, also have privacy laws like the CCPA. We will continue to monitor and assess the impact of these state laws, which may impose substantial penalties for violations, impose significant costs for investigations and compliance, allow private class-action litigation and carry significant potential liability for our business. Outside of the U. S., data protection laws, including the EU General Data Protection Regulation (the “GDPR”), also apply to some of our operations. Legal requirements in these countries relating to the collection, storage, processing and transfer of personal data continue to evolve. The GDPR imposes, among other things, data protection requirements that include strict obligations and restrictions on the ability to collect, analyze and transfer EU personal data, a requirement for prompt notice of data breaches to affected subjects and supervisory authorities in certain circumstances, and possible substantial fines for any violations (including possible fines for certain violations). Other governmental authorities around the world are considering similar types of legislative and regulatory proposals concerning data protection. The interpretation and enforcement of the laws and regulations described above are uncertain and subject to change, and may require substantial costs to monitor and implement compliance with any additional requirements. Failure to comply with U. S. and international data protection laws and regulations could result in government enforcement actions (which could include substantial civil and / or criminal penalties), private litigation and / or adverse publicity and could negatively affect our operating results and business. Failure to comply with international safety regulations may subject us to increased liability that may adversely affect our insurance coverage resulting in a denial of access to, or detention in, certain ports which could adversely affect our business. The operation of vessels is subject to the requirements of the International Maritime Organization’s International Safety Management Code for the Safe Operation of Ships and Pollution Prevention (“ISM Code”). The ISM Code requires ship owners and bareboat charterers to develop and maintain an extensive “Safety Management System” that includes the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe operation and describing procedures for dealing with emergencies. A failure to comply with the ISM Code may subject us to increased liability, invalidate existing insurance or decrease available insurance coverage for the affected vessels and result in a denial of access to or detention in certain ports, all of which could materially and adversely affect our results of operations and liquidity. Compliance with existing or changing laws and regulations could adversely affect our business. Extensive and changing laws and regulations directly affect the operation of our vessels. These laws and regulations take the form of international conventions and agreements, including the International Maritime Organization conventions and regulations and the International Convention for the Safety of Life at Sea, which are applicable to all internationally trading vessels, and national, state and local laws and regulations, all of which may be amended from time to time. Under these laws and regulations, various governmental and quasi-governmental agencies and other regulatory authorities may require us to obtain permits, licenses and certificates in connection with our operations. Some countries in which we operate have laws that restrict the nationality of a vessel’s crew and prior and future ports of call, as well as other considerations relating to particular national interests. Changes in governmental regulations and safety or other equipment standards may require unbudgeted expenditures for alterations or the addition of new equipment for our vessels. If we do not restrict the amount of ownership of our common stock by non-U. S. citizens, we could be prohibited from operating vessels in U. S. coastwise trade, which would adversely impact our business and operating results. To the extent any of our U. S. flagged vessels continue to transport passengers in the U. S. coastwise trade, we are subject to the Coastwise Laws, which govern, among other things, the ownership and operation of vessels used to carry passengers between U. S. ports. Subject to limited exceptions, the Coastwise Laws and the regulations promulgated thereunder require that such vessels engaged in the U. S. coastwise trade be built in the United States, registered under the U. S. flag, manned by predominantly U. S. crews, and beneficially owned and operated by U. S. organized companies that are controlled and at least 75 % owned by U. S. citizens within the meaning of the statutes. A failure to maintain compliance with the Coastwise Laws would adversely affect our financial position and our results of operations as we would be prohibited from operating vessels in the U. S. coastwise trade during any period in which we do not comply or cannot demonstrate to the satisfaction of the relevant governmental authorities our compliance with the Coastwise Laws. In addition, a failure to maintain compliance could subject us to fines and our vessels could be subject to seizure and forfeiture for violations of the Coastwise Laws and the related U. S. vessel documentation laws. Restrictions on non-U. S. citizen ownership of certain U. S. flagged vessels could limit our ability to sell off a portion of our business or result in the forfeiture of certain of our vessels. Compliance with the Coastwise Laws requires that non-U. S. citizens beneficially own no more than 24.99 % in the entities that directly or indirectly own the vessels that operate in the U. S. coastwise trade. If we were to seek to sell any portion of our business that owns any of these vessels, we would have fewer potential purchasers because some potential purchasers might be unable or unwilling to satisfy the U. S. citizenship restrictions described above. As a result, the sales price for that portion of the business may not attain the amount that could be obtained in an unregulated market.

**Risks Related to Our Debt** Our substantial debt could adversely affect our financial condition. As of December 31, 2023-2024, we had \$ 635.4 million indebtedness and significant debt service obligations related thereto. Such indebtedness could:

- require us to dedicate a large portion of our cash flow from operations to service debt, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- increase our vulnerability to adverse general economic or industry conditions;
- limit our flexibility in planning for, or reacting to, changes in our business or the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less debt;
- make us more vulnerable to downturns in our business, the economy or the industry in which we operate;
- limit our ability to raise additional debt or equity capital in the future to satisfy our requirements relating to working capital, capital expenditures, development projects, strategic initiatives or other purposes;
- restrict us from making strategic acquisitions, introducing new technologies or

exploiting business opportunities; and ● make it difficult for us to satisfy our obligations with respect to our debt. We also may incur additional debt in the future, including secured indebtedness. If new debt is added to our existing debt levels, the related risks that we now face would increase. We will require a significant amount of cash to service our debt and sustain our operations. Our ability to generate cash depends on many factors beyond our control, and we may not be able to generate cash required to service our debt. Our ability to meet our other debt service obligations or refinance our debt depends on our future operating and financial performance and ability to generate cash. This will be affected by our ability to successfully implement our business strategy, as well as general economic, financial, competitive, regulatory and other factors beyond our control. If we cannot generate sufficient cash to meet our debt service obligations or fund our other business needs, we may, among other things, need to refinance all or a portion of our debt, obtain additional financing, delay planned capital expenditures or sell assets. We cannot be assured that we will be able to generate sufficient cash through any of the foregoing. If we are not able to refinance any of our debt, obtain additional financing or sell assets on commercially reasonable terms or at all, we may not be able to satisfy our obligations with respect to our debt. The impact of volatility and disruptions in the global credit and financial markets may adversely affect our ability to borrow and could increase our counterparty credit risks, including those under our credit facilities, derivatives, contingent obligations, insurance contracts and new ship contractual payments. There can be no assurance that we will be able to access additional debt and / or credit facilities on terms as favorable as our current debt, on commercially acceptable terms, or at all. Inflation or economic downturns, including failures of financial institutions and any related liquidity crisis, can disrupt the capital and credit markets. Such disruptions could cause counterparties under our credit facilities, derivatives, contingent obligations and insurance contracts to be unable to perform their obligations or to breach their obligations to us under our contracts with them, which could include failures of financial institutions to fund required borrowings under our loan agreements and to pay us amounts that may become due under our derivative contracts and other agreements. Also, we may be limited in obtaining funds to pay amounts due to our counterparties under our derivative contracts and to pay amounts that may become due under other agreements. If we were to elect to replace any counterparty for their failure to perform their obligations under such instruments, we would likely incur significant costs to replace the counterparty. Any failure to replace any counterparties under these circumstances may result in additional costs to us or an ineffective instrument. We may not be able to obtain sufficient financing or capital for our needs or may not be able to do so on terms that are acceptable or consistent with our expectations. Any circumstance or event that leads to a decrease in consumer cruise and land-based travel spending, such as worsening global economic conditions or significant incidents impacting the cruise industry, the expedition cruise industry or the travel industry, could negatively affect our operating cash flows. Although we expect that we will have sufficient cash flows from operations, and expect we will have sufficient access to capital to fund our operations and obligations as expected, there can be no assurances to that effect. Our ability to access additional funding as and when needed, our ability to timely refinance and / or replace outstanding debt and credit facilities on acceptable terms and our cost of funding will depend upon numerous factors including, but not limited to, the condition of the financial markets, our financial performance and credit ratings and the performance of our industry in general. Any inability to satisfy any covenants required by **our** existing or future credit facilities could adversely impact our liquidity. ~~Our outstanding notes contain certain covenants and are secured by substantially all of our assets. Any failure to comply with such terms, conditions, and covenants, or successfully amend our covenants, could result in an event of default. Further, if an event of default under a facility were to occur, cross default provisions, if any, could cause our other outstanding debt, if any, to be immediately due and payable. Upon such an occurrence, there could be no assurance that we would have sufficient liquidity to repay or the ability to refinance the borrowings under any such credit facilities or settle other outstanding contracts if such amounts were accelerated upon an event of default. Any inability to satisfy any covenants required by our~~ debt agreements could result in an acceleration of certain of our indebtedness. We are subject to various covenants in the instruments governing our debt. Any failure to comply with such terms, conditions, and covenants could result in an event of default under our current or future indebtedness. Further, if an event of default were to occur under any of the agreements relating to our outstanding indebtedness, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately, terminate all commitments to extend further credit, foreclose or otherwise enforce against all the assets comprising the collateral securing or otherwise supporting such debt and pursue other legal remedies. The instruments governing our debt also contain cross default provisions or cross acceleration provisions that could cause all of the debt issued under such instruments to become immediately due and payable as a result of a default under an unrelated debt instrument. Upon such an occurrence, there could be no assurance that we would have sufficient liquidity to repay or the ability to refinance the borrowings under our outstanding debt instruments or settle other outstanding contracts if such amounts were accelerated upon an event of default. We may need to conduct an asset sale or pursue other alternatives, including proceedings under applicable insolvency laws relating to some or all of our business. There can be no assurance that our assets, including any applicable collateral, would be sufficient to fully repay our current or any future debt instruments if the obligations thereunder were accelerated upon an event of default. Further, if we are unable to repay, refinance or restructure our secured debt (including the notes), the holders of such debt could proceed against the collateral securing such indebtedness. If we default on our obligations to pay our other indebtedness, we may not be able to make payments on our outstanding notes. Any default under the agreements governing our indebtedness that is not waived by the required lenders or holders, as applicable, and the remedies sought by the holders of such indebtedness could leave us unable to pay principal, premium, if any, or interest on the outstanding notes and could substantially decrease the market value of the notes and result in such lenders declaring the funds immediately due and then foreclosing on our assets. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to (i) declare

all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, (ii) terminate their commitments and cease making further loans and (iii) institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to seek waivers from the required lenders or holders, as applicable, under the instruments governing our other indebtedness to avoid being in default. If we breach our covenants under our indebtedness and seek a waiver, we may not be able to obtain a waiver from the required lenders or holders, as applicable. If this occurs, we would be in default under the instruments governing our indebtedness, the lenders or holders, as applicable, could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. We are a holding company, and our operations are conducted through, and substantially all of our consolidated assets are held by, our subsidiaries. Accordingly, we will depend on the business of our subsidiaries to satisfy our debt obligations. Substantially all of our consolidated assets are held by our subsidiaries. Accordingly, our ability to service our debt, depends on the results of operations of our subsidiaries and upon the ability of such subsidiaries to provide us with cash, whether in the form of dividends, loans or otherwise, to pay amounts due on our obligations. Our subsidiaries are separate and distinct legal entities and, unless they are guarantors, have no obligation, contingent or otherwise, to make payments on our obligations or to make any funds available for that purpose. In addition, dividends, loans or other distributions to us from such subsidiaries may be subject to contractual and other restrictions and are subject to other business considerations. As a result, we may not be able to pay all the cash obligations under our obligations. We may be unable to repay or repurchase our outstanding notes at maturity. At their respective maturity dates, the entire outstanding principal amount of our \$ 360. 0 million 6. 75 % Notes due 2027 and our \$ 275. 0 million 9. 00 % Notes due 2028, together with accrued and unpaid interest, if any, will become due and payable. We may not have the funds to fulfill these obligations or the ability to renegotiate these obligations. If, upon the maturity date, other arrangements prohibit us from repaying the outstanding notes, we could try to obtain waivers of such prohibitions from the lenders and holders under those arrangements, or we could attempt to refinance the borrowings that contain the restrictions. In these circumstances, if we were not able to obtain such waivers or refinance these borrowings, we would be unable to repay the outstanding notes. If this occurs, we would be in default under the instruments governing our indebtedness, the lenders or holders, as applicable, could exercise their rights as described above, and we could be forced into bankruptcy or liquidation.

**Risks Related to Ownership of Capital Stock by Individuals and Entities that are not U. S. Citizens**

Our Amended and Restated Certificate of Incorporation (“ Amended Certificate ”) limits the beneficial ownership of our capital stock by individuals and entities that are not U. S. citizens within the meaning of the Coastwise Laws. These restrictions may affect the liquidity of our capital stock and may result in non- U. S. citizens being required to disgorge profits, sell their shares at a loss or relinquish their voting, dividend and distribution rights. Under the Coastwise Laws, and so long as we operate U. S. flagged vessels in coastwise trade, at least 75 % of the outstanding shares of each class or series of our capital stock must be beneficially owned and controlled by U. S. citizens within the meaning of the Coastwise Laws. Certain provisions of our Amended Certificate are intended to facilitate compliance with this requirement and may have an adverse effect on certain holders or proposed transferees of shares of our common stock. Under the provisions of our Amended Certificate, any transfer, or attempted transfer, of any shares of capital stock will be void if the effect of such transfer, or attempted transfer, would be to cause one or more non- U. S. citizens in the aggregate to own (of record or beneficially) shares of any class or series of our capital stock in excess of 22 % of the outstanding shares of such class or series. The liquidity or market value of the shares of common stock may be adversely impacted by such transfer restrictions. In the event such restrictions voiding transfers would be ineffective for any reason, our Amended Certificate provides that if any transfer would otherwise result in the number of shares of any class or series of capital stock owned (of record or beneficially) by non- U. S. citizens being in excess of 22 % of the outstanding shares of such class or series, such transfer will cause such excess shares to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries that are U. S. citizens. The proposed transferee will have no rights in the shares transferred to the trust, and the trustee, who is a U. S. citizen chosen by us and unaffiliated with us or the proposed transferee, will have all voting, dividend and distribution rights associated with the shares held in the trust. The trustee will sell such excess shares to a U. S. citizen within 20 days of receiving notice from us and distribute to the proposed transferee the lesser of the price that the proposed transferee paid for such shares and the amount received from the sale, and any gain from the sale will be paid to the charitable beneficiary of the trust. These trust transfer provisions also apply to situations where ownership of a class or series of capital stock by non- U. S. citizens in excess of 22 % would be triggered by a change in the status of a record or beneficial owner thereof from a U. S. citizen to a non- U. S. citizen, in which case such person will receive the lesser of the market price of the shares on the date of such status change and the amount received from the sale. In addition, under our Amended Certificate, if the sale or other disposition of shares of common stock would result in non- U. S. citizens owning (of record or beneficially) in excess of 22 % of the outstanding shares of common stock, the excess shares shall be automatically transferred to a trust for disposal by a trustee in accordance with the trust transfer provisions described above. As part of the foregoing trust transfer provisions, the trustee will be deemed to have offered the excess shares in the trust to us at a price per share equal to the lesser of (i) the market price on the date we accept the offer and (ii) the price per share in the purported transfer or original issuance of shares, as described in the preceding paragraph, or the market price per share on the date of the status change, that resulted in the transfer to the trust. As a result of the above trust transfer provisions, a proposed transferee that is a non- U. S. citizen or a record or beneficial owner whose citizenship status change results in excess shares may not receive any return on its investment in shares it purportedly purchases or owns, as the case may be, and it may sustain a loss. To the extent that the above trust transfer provisions would be ineffective for any reason, our Amended Certificate provides that, if the percentage of the shares of any class or series of capital stock owned (of record or beneficially) by non- U. S. citizens is known to us to be in excess of 22 % for such class or series, we, in our sole discretion, shall be entitled to redeem all or any portion of such shares most recently acquired (as determined by us in accordance with guidelines that are set forth in our Amended Certificate), by non- U. S. citizens, or owned (of record or beneficially) by non- U. S. citizens as a result of a change

in citizenship status, in excess of such permitted percentage for such class or series at a redemption price based on a fair market value formula that is set forth in our Amended Certificate. Such excess shares shall not be accorded any voting, dividend or distribution rights until they have ceased to be excess shares, provided that they have not been already redeemed by us. As a result of these provisions, a shareholder who is a non- U. S. citizen may be required to sell its shares of common stock at an undesirable time or price and may not receive any return on its investment in such shares. Further, we may have to incur additional indebtedness, or use available cash (if any), to fund all or a portion of such redemption, in which case our financial condition may be materially weakened. In order to assist our compliance with the Coastwise Laws, our Amended Certificate permits us to require that any record or beneficial owner of any shares of our capital stock provide us with certain documentation concerning such owner's citizenship. These provisions include a requirement that every person acquiring, directly or indirectly, five percent (5 %) or more of the shares of any class or series of our capital stock must provide us with specified citizenship documentation. In the event that any person does not submit such requested or required documentation to us, our Amended Certificate provides us with certain remedies, including the suspension of the voting rights of the person's shares owned by persons unable or unwilling to submit such documentation and the payment of dividends and distributions with respect to those shares into a segregated account. As a result of non-compliance with these provisions, a record or beneficial owner of the shares of our common stock may lose significant rights associated with those shares. In addition to the risks described above, the foregoing ownership restrictions on non- U. S. citizens could delay, defer or prevent a transaction or change in control that might involve a premium price for common stock or otherwise be in the best interest of our shareholders. If non- U. S. citizens own more than 22 % of our capital stock, we may not have the funds or the ability to redeem any excess shares and the charitable trust mechanism described above may be deemed invalid or unenforceable, all with the result that we could be forced to either suspend our operations in the U. S. coastwise trade or be subject to substantial penalties. Our Amended Certificate contains provisions voiding transfers of shares of any class or series of our capital stock that would result in non- U. S. citizens within the meaning of the Coastwise Laws, in the aggregate, owning in excess of 22 % of the shares of such class or series. In the event that this transfer restriction would be ineffective, our Amended Certificate provides for the automatic transfer of such excess shares to a trust specified therein. These trust provisions also apply to excess shares that would result from a change in the status of a record or beneficial owner of shares of our capital stock from a U. S. citizen to a non- U. S. citizen. In the event that these trust transfer provisions would also be ineffective, our Amended Certificate permits us to redeem such excess shares. The per- share redemption price may be paid, as determined by our Board of Directors, by cash or redemption notes or the shares may be redeemed for warrants. However, we may not be able to redeem such excess shares for cash because our operations may not have generated sufficient excess cash flow to fund such redemption. Further, the methodology for transfer to and sale by a charitable trust could be deemed invalid or unenforceable in one or more jurisdictions. If, for any reason, we are unable to effect a redemption or charitable sale when beneficial ownership of shares by non- U. S. citizens is in excess of 24.99 % of the common stock, or otherwise prevent non- U. S. citizens in the aggregate from beneficially owning shares in excess of 24.99 % of any class or series of capital stock, or fail to exercise our redemption or forced sale rights because we are unaware that ownership exceeds such percentage, we will likely be unable to comply with the Coastwise Laws and will likely be required by the applicable governmental authorities to suspend our operations in the U. S. coastwise trade. Any such actions by governmental authorities would have a severely detrimental impact on our financial position, results of operations and cash flows and any failure to suspend operations in violation of the Coastwise Laws could cause us to be subject to material financial and operational penalties.

**General Risks Related to Our Securities** An active trading market for our common stock may not be sustained, and you may not be able to resell your shares at or above the price at which you purchased them. An active trading market for our shares may not be sustained. In the absence of an active trading market for our common stock, shares of common stock may not be able to be resold at or above the purchase price of such shares. Although there can be no assurances, we expect that our common stock will continue to be listed on the NASDAQ Stock Market. However, even if our common stock continues to be listed on the NASDAQ Stock Market, there is no assurance that an active market for our common stock will continue in the foreseeable future. We do not intend to pay any common stock dividends to shareholders in the foreseeable future. We have not paid any cash dividends on our shares of common stock to date and do not intend to pay cash dividends in the foreseeable future. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial conditions. The payment of any dividends is within the discretion of our Board of Directors. It is the present intention of our Board of Directors to retain all earnings, if any, for use in our business operations and, accordingly, our Board of Directors does not anticipate declaring any dividends in the foreseeable future. In addition, restrictions in our indentures governing our outstanding notes and revolving credit facility include certain limitations on our ability to pay dividends. As a result, any gain you will realize on our securities will result solely from the appreciation of such securities. Provisions in our Amended Certificate and bylaws and Delaware law may inhibit a takeover of us, which could limit the price investors might be willing to pay in the future for our common stock and could entrench management. Our Amended Certificate and bylaws contain provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. Our board of directors is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. As a result, at a given annual meeting only a minority of the board of directors may be considered for election. Since our "staggered board" may prevent our stockholders from replacing a majority of our board of directors at any given annual meeting, it may entrench management and discourage unsolicited stockholder proposals that may be in the best interests of stockholders. Moreover, our Board of Directors has the ability to designate the terms of and issue new series of preferred stock. We are also subject to anti- takeover provisions under Delaware law, which could delay or prevent a change of control. Together these provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. Our common stock ranks junior to our Series A Convertible Preferred Stock with respect to dividends and amounts payable in

the event of our liquidation, dissolution or winding- up of our affairs. Our common stock ranks junior to our Series A Convertible Preferred Stock, with respect to the payment of dividends and amounts payable in the event of our liquidation, dissolution or winding- up of our affairs. Upon our liquidation, dissolution or winding up, each share of Series A Convertible Preferred Stock will be entitled to receive an amount per share equal to the greater of (i) the purchase price paid for such shares, plus all accrued and unpaid interest and (ii) the amount that the holder would have been entitled to receive at such time if the Series A Convertible Preferred Stock were converted into common stock and no distribution of our assets may be made to holders of our common stock until we have paid to holders of our Series A Convertible Preferred Stock such liquidation preference. Any conversion of the Series A Convertible Preferred Stock to common stock would also cause substantial dilution to our stockholders. Certain rights of the holders of the Series A Convertible Preferred Stock could delay or prevent an otherwise beneficial takeover or takeover attempt of us. Certain rights of the holders of the Series A Convertible Preferred Stock could make it more difficult or more expensive for a third party to acquire us. If we undergo a Change of Control (as defined in the certificate of designations for the Series A Convertible Preferred Stock), each holder will have the right to cause us to redeem any or all of its shares of Series A Convertible Preferred Stock for cash consideration equal to the greater of (i) \$ 1, 120 per share and (ii) the purchase price paid for such shares, plus all accrued and unpaid interest. These features of the Series A Convertible Preferred Stock could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management. Item 1B. Unresolved Staff Comments