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

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Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10- K, before making a decision to invest in our Class A common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. If any of the following risks occur, our business, financial condition, operating results, and future prospects could be materially and adversely affected. In that event, the price of our Class A common stock could decline, and you could lose part or all of your investment. Risk Related to Our Business Operational Risks ~~competition in the future.~~ Our business is significantly affected by fluctuations in general economic conditions.There is risk that any economic recovery may be delayed,short- lived and / or uneven,and may not result in increased demand for our services.Our business depends on the overall demand for labor and on the economic health of current and prospective employers and job seekers that use our marketplace.Demand for recruiting and hiring services is significantly affected by the general level of economic activity and employment in the United States and the other countries in which we operate.Any significant weakening of the economy in the United States or the global economy,increased unemployment,reduced credit availability,reduced business confidence and activity,decreased government spending,economic uncertainty,financial turmoil affecting the banking system or financial markets, **including actual or perceived instability in the banking industry,** trade wars and higher tariffs, ~~changes~~ **volatility** in interest rates,inflation in the cost of goods and services including labor,and other adverse economic or market conditions may adversely impact our business and operating results.Significant swings in,or periods of reduced,economic activity historically have had a disproportionately negative impact on hiring activity and related efforts to find candidates.We may also experience more pricing pressure during periods of economic downturn.Economic recoveries are difficult to predict,and may be delayed,short- lived,and / or uneven,with some regions,or countries within a region,continuing to experience declines or weakness in economic activity while others improve.Differing economic conditions and patterns of economic growth or contraction in the geographical regions in which we operate may affect demand for our marketplace.We may not experience uniform,or any,increases in demand for our marketplace within the markets where our business is concentrated.There has been volatility in financial markets as a result of a number of factors,including,but not limited to, **banking instability,global conflict,including** the ~~COVID~~ **war in Ukraine and the Israel** - **Hamas** ~~19 pandemic,the~~ war ~~in Ukraine~~ ,inflation,changes in interest rates,and **volatile markets** ~~the possibility of a U.S.and global recession~~ .There is a risk that as a result of these macroeconomic factors,we could continue to experience declines in all,or in portions,of our business.Economic uncertainty may cause some of our current or potential employers to curtail spending in our marketplace and may ultimately result in cost challenges to our operations. ~~Additionally~~ **For example** , **our employers,including** ~~ongoing resurgences of COVID- 19 as the~~ **those** ~~virus transitions from pandemic to endemic and related precautionary measures instituted~~ **of our employers that are banks,may be adversely affected** by ~~governments,businesses,and individuals~~ **any bank failure or other event affecting financial institutions.Any resulting adverse effects** to **our employers' liquidity or financial performance** ~~mitigate its spread,including travel restrictions and quarantines,~~ could **reduce the demand for our services** ~~continue to contribute to a general economic slowdown,adversely impact our~~ - **or affect** ~~employers,job seekers,and other business partners,and disrupt~~ our ~~operations~~ **allowance for expected credit losses and collectability of accounts receivable** .These adverse conditions could result in reductions in revenue,increased operating expenses,longer sales cycles,slower adoption of new technologies,and increased competition.We cannot predict the timing,strength,or duration of any economic slowdown or any subsequent recovery generally.There is also risk that when overall global economic conditions are positive,our business could be negatively impacted by decreased demand for job postings and our services.If general economic conditions significantly deviate from present levels,our business,financial condition,and operating results could be adversely affected.Substantially all of our revenue is generated by our business operations in the United States.Prior to **2020** ~~the COVID- 19 pandemic~~ ,the United States had largely experienced positive economic and employment trends since our founding in 2010 and therefore we do not have a significant operating history in periods of weak economic environments and cannot predict how our business will perform in such periods.Any significant economic downturn in the United States or other countries in which we operate could have a material adverse effect on our business,financial condition **and results of operations.** We face intense competition and could lose market share to our competitors, which could adversely affect our business, operating results, and financial condition. We face intense competition from many well- established online job sites such as CareerBuilder, Craigslist, Glassdoor, Indeed, LinkedIn and Monster as well as from newer entrants such as Google or Facebook. Many of our existing and potential competitors are considerably larger or more established than we are and have larger workforces and more substantial marketing and financial resources. Price competition for job marketplaces such as ours is likely to remain high, which could limit our ability to maintain or increase our market share, subscriber base, revenue and / or profitability. **We also compete with companies that utilize emerging technologies and assets, such as large language models (LLMs), machine learning, and other types of artificial intelligence. These competitors may offer products and services that may, among other things, provide automated alternatives to the services that employers or job seekers would otherwise seek from ZipRecruiter, use machine learning algorithms to connect employers with job seekers more effectively than we do, or otherwise change the way that employers engage with job seekers or the way job seekers find work so as to make our marketplace less attractive. We may face increased competition from these competitors as they mature and expand their capabilities.**

Many of our larger competitors have long- standing relationships or access to employers, including our Paid Employers2, as well as those whom we may wish to pursue. Some employers may be hesitant to use a new platform and prefer to upgrade products offered by these incumbent platforms for reasons that include price, quality, sophistication, familiarity, and global presence. These platforms could offer competing products on a standalone basis at a low price or bundled as part of a larger product sale. Many of our competitors are able to devote greater resources to the development, promotion, sale, and support of their products and services. Furthermore, our current or potential competitors may be acquired by third parties with greater available resources and the ability to initiate or withstand substantial price competition. Our competitors may also establish cooperative relationships among themselves or with third parties to enhance their product offerings or resources. If our competitors' products, platforms, services or technologies maintain or achieve greater market acceptance than ours, if they are successful in bringing their products or services to market earlier than ours, or if their products, platforms or services are more technologically capable than ours, then our revenue could be adversely affected. Also, some of our competitors may offer their products and services at a lower price. If we cannot optimize pricing, our operating results may be negatively affected. Pricing pressures and increased competition could result in reduced sales, reduced margins, losses or a failure to maintain or improve our competitive market position, any of which could adversely affect our business. The number of employers distributing their job posting service purchases among a broader group of competitors may increase which may make it more difficult to retain or maintain our current share of **business with existing Paid Employers. We also face the risk that employers may decide to provide similar services internally or reduce or redirect their efforts to recruit job seekers through online job advertisements. As a result, there can be no assurance that we will not encounter increased competition in the future.** 2 " Paid Employer (s) " means any employer (s) (or entities acting on behalf of an employer) on a paying subscription plan or performance marketing campaign for at least one day. Paid Employer (s) excludes employers from our Job Distribution Partners or other indirect channels, employers who are not actively searching for candidates, but otherwise have access to previously posted jobs, and employers on free trial. business with existing Paid Employers. We...... financial condition and results of operations. Our marketplace functions on software that is highly technical and complex and if it fails to perform properly, our reputation could be adversely affected, our market share could decline and we could be subject to liability claims. Our marketplace functions on software that is highly technical and complex and may now or in the future contain undetected errors, bugs, or vulnerabilities. Some errors in our software code may be discovered only after the code has been deployed. Any errors, bugs, or vulnerabilities discovered in our code after deployment, inability to identify the cause or causes of performance problems within an acceptable period of time, or difficulty maintaining and improving the performance of our marketplace could result in damage to our reputation or brand, loss of employers and job seekers, loss of revenue, or liability for damages, any of which could adversely affect our business and results of operations. As the usage of our marketplace grows, we will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to operate our marketplace. If we cannot continue to effectively scale and grow our technical infrastructure to accommodate these increased demands, it may adversely affect our user experience. We also rely on third- party software and infrastructure, including the infrastructure of the internet, to provide our marketplace. Any failure of or disruption to this software and infrastructure, whether intentional or malicious in nature or due to our activities or those of our vendors, could also make our marketplace unavailable to our users. If our marketplace is unavailable to our subscribers or job seekers for any period of time, our business could be adversely affected. Our marketplace technology is constantly changing with new updates, which may contain undetected errors when first introduced or released. Any errors, defects, disruptions in service, or other performance or stability problems with our marketplace, or the insufficiency of our efforts to adequately prevent or timely remedy errors or defects, could result in negative publicity, loss of or delay in market acceptance of our marketplace, loss of competitive position, our inability to timely and accurately maintain our financial records, inaccurate or delayed invoicing of Paid Employers, delay of payment to us, claims by users for losses sustained by them, corrective action taken by gatekeepers of components integral to our marketplace, or investigation and corrective action taken by a regulatory agency. In such an event, we may be required, or may choose, for user relations or other reasons, to expend additional resources to help resolve the issue. Accordingly, any errors, defects, or disruptions in our marketplace could adversely impact our brand and reputation, revenue, and operating results. Because of the large amount of data that our Paid Employers collect and manage by means of our services, it is possible that failures or errors in our systems could result in data loss or corruption, or cause the information that we or our Paid Employers collect to be incomplete or contain inaccuracies that our Paid Employers regard as significant. Furthermore, the availability or performance of our marketplace could be adversely affected by a number of factors, including users' inability to access the internet or to send or receive email messages, the failure of our network or software systems, security breaches or variability in user traffic for our services. We may be required to issue credits or refunds for prepaid amounts related to unused services or otherwise be liable to our users for damages they may incur resulting from certain of these events. In addition to potential liability, if we experience interruptions in the availability of our marketplace, our reputation could be adversely affected and we could lose employers and job seekers. Our errors and omissions insurance may be inadequate or may not be available in the future on acceptable terms, or at all. In addition, our policy may not cover all claims made against us and defending a suit, regardless of its merit, could be costly and divert management' s attention. Our future success depends in part on employers purchasing and renewing or upgrading subscriptions and performance- based services from us. Any decline in our user renewals or upgrades or performance-based services could harm our future operating results. Many of our Paid Employers pay for access to our marketplace on a per-job- per- day basis, rather than entering into new longer term paid time- based job posting plans, renewing their paid time- based job posting plans when such contract terms expire, or purchasing performance- based services from us. Employers who enter into paid plans have no obligation to renew their plans after the expiration of their contract period, which typically range from one day to 12 months. In addition, employers may renew for lower subscription amounts or for shorter contract lengths. Historically, some of our Paid Employers have elected not to renew their agreements with us and as we expand into new products and markets, we have a limited ability to reliably predict future renewal rates. Our future renewal rates for both existing and potential new products may be lower, possibly significantly lower, than historical trends. Our future success also depends in part on our ability to sell upsell services to employers who use our marketplace. If employers do not purchase upsell services from us, our revenue may decline and our operating results may be harmed. Our Paid Employer subscription renewals, performance- based services, and upsells may decline or fluctuate as a result of a number of factors, including user usage, user satisfaction with our services and user support, our prices, the prices of competing services, mergers and acquisitions affecting our user base, the effects of U. S. and global economic conditions, or reductions in our Paid Employers' spending levels generally. ~~We have experienced growth in recent periods and expect to continue to invest in our growth for the foreseeable future.~~ If we ~~cannot manage~~ **fail to scale** our ~~growth~~ **business** effectively, our business, operating results, and financial condition could be adversely affected. We have experienced **a period of significant** growth in **recent** ~~a relatively short period of time. For example, our total revenue for the year~~ **years** ~~ended December 31, 2022 was $ 904. 6 million, representing an~~ **and** ~~increase~~ **expect to continue to invest strategically across our company to support measured growth, while also scaling back certain areas** of **our business** ~~22 % over the $ 741. 1 million~~ in ~~total revenue~~ **response to changing macroeconomic conditions. Although** we **have experienced rapid growth historically** ~~recorded for the year ended December 31, 2021. Over time~~ , we ~~expect~~ **may not return** to **prior** ~~expand our operations and personnel significantly. Sustaining our~~ growth **rates or sustain our growth rates, nor can we assure you that our investments to support our growth or to manage expenses by scaling back other areas of our business will be successful. The effective scaling of our business** will place significant demands on our management as well as on our administrative, operational, and financial resources. To manage ~~our~~ **any future** growth **effectively** , we must continue to improve our operational, financial, and management information systems ; expand, motivate, and effectively manage and train our workforce ; and effectively collaborate with our third- party partners. If we cannot manage ~~our~~ **any future** growth successfully, our business, operating results, financial condition, and ability to successfully advertise our marketplace and serve our employers and job seekers could be adversely affected. ~~Our~~ **Over time, we expect to expand our operations and personnel significantly. However, from time to time, we realign our resources and talent to respond to macroeconomic changes and to streamline our organization and optimize our cost structure, including through furloughs, layoffs and reductions in force. For example, in May 2023, in response to current market conditions and after reducing other discretionary expenses, we reduced our workforce. If there are unforeseen expenses associated with such realignments in our business strategies, and we incur unanticipated charges or liabilities, then we may not be able to effectively realize the expected cost savings or other benefits of such actions. In addition, the loss of certain personnel, through such reduction in force or otherwise, presents significant risks including, among other things, failure to maintain adequate controls and procedures. Failure to manage any growth or any scaling back of our operations could have an adverse effect on our business, operating results, and financial condition. In addition, our** historical growth should not be considered indicative of our future performance. We have encountered in the past, and will encounter in the future, risks, challenges, and uncertainties frequently experienced by growing companies in rapidly changing industries. If our assumptions regarding these risks, challenges, and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our financial condition and operating results could differ materially from our expectations, **we** ~~our growth rates~~ may ~~slow~~ **be unable to effectively scale our business** , and our business would be adversely impacted. Significant segments of the market for job advertisement services may have hiring needs and service preferences that are subject to greater volatility than the overall economy. The employers in the United States' private sector are diverse across a number of business characteristics, including company size, geography, and industry, among other factors. Hiring activity may vary significantly among businesses with different characteristics and accordingly, any concentration we may have among businesses with certain characteristics may subject us to high volatility in our financial results. Smaller businesses, for example, typically have less persistent hiring needs and may experience greater volatility in their need for job advertisement services and preferences among providers of such services. Along with a relatively shorter sales cycle, smaller businesses may be more likely to change platforms based on short- term differences in perceived price, value, service level, or other factors. Difficulty in acquiring and / or retaining these employers may adversely affect our operating results. Our efforts and ability to sell to a broad mix of businesses could adversely affect our operating results in a given period. Our ability to increase revenue and maintain profitability depends, in part, on widespread acceptance and utilization of our marketplace by businesses of all sizes and types. Because our customers reflect a wide variety of businesses, we face a variety of challenges, including but not limited to, pricing pressure, cost variances and marketing strategies that vary based on the business type and size, varying lengths of sales cycles, and less predictability in completing some of our sales. For example, some of our larger prospective customers may need us to provide greater levels of education regarding the use and benefits of our marketplace and services, because the prospective customer' s decision to use our marketplace and services may be a company- wide decision. We are in the ~~nascent~~ **early** stages of developing the analytical tools that will allow us to determine how prospective customers can be most effectively directed within, and addressed by, our sales organizations. As a result, we may not always approach new opportunities in the most cost- effective manner or with the most appropriate resources. Developing and successfully implementing these tools will be important as we seek to efficiently capitalize on new and expanding market opportunities. In addition, because we are a relatively new company with a limited operating history when compared to some of our existing competitors, our target employers and job seekers may prefer to use offerings from more established competitors that are more tailored to their specific requirements. Our business depends largely on our ability to attract and retain talented employees, including senior management and key personnel. If we lose the services of Ian Siegel, our Chief Executive Officer, or other members of our senior management team, we may not be able to execute on our business strategy. Our future success depends in large part on the continued services of our senior management and other key personnel and our ability to retain and motivate them. In particular, we are dependent on the services of Ian Siegel, our Chief Executive Officer, and our technology, marketplace, future vision, and strategic direction could be compromised if he were to take another position, become ill or incapacitated, or otherwise become unable to serve as our Chief Executive Officer. We rely on our leadership team in the areas of marketing, sales, finance, support, product development, human resources, and technology. Our senior management and other key personnel are all employed on an at- will basis, which means that they could terminate their employment with us at any time, for any reason, and without notice. If we lose the services of senior management or other key personnel, or if we cannot attract, train, and retain the highly skilled personnel we need, our business, operating results, and financial condition could be adversely affected. Our future success also depends on our continuing ability to attract, train, and retain highly skilled personnel, including software engineers and sales personnel. We face intense competition for qualified personnel from numerous software and other technology companies. This competition for highly skilled personnel is especially intense in the regions where we have significant operations, and we may incur significant costs to attract and retain them. We have, from time to time, experienced, and we expect to continue to experience, difficulty in hiring and retaining highly skilled employees with appropriate qualifications. We may incur significant costs to attract and retain highly skilled personnel, and we may lose new employees to our competitors or other technology companies before we realize the benefit of our investment in recruiting and training them. In addition, in a tight labor market, we may experience increased difficulty in hiring and retaining, or increased costs in attracting and retaining, highly skilled personnel, or we may lose new employees to our competitors or other technology companies at a greater rate. To the extent we move into new geographies, we would need to attract and recruit skilled personnel in those areas. Moreover, uncertainty arising from economy- wide shifts toward remote work could negatively impact our ability to recruit or retain talent, particularly in light of our workforce historically being concentrated largely in the Los Angeles and Phoenix metropolitan areas. In addition, job candidates and existing employees often consider the value of the equity awards they receive in connection with their employment. If the perceived value of our equity or equity awards declines, it may adversely affect our ability to retain highly skilled employees. If we cannot attract and retain suitably qualified individuals who are capable of meeting our growing technical, operational, and managerial requirements, on a timely basis or at all, our business may be adversely affected. If internet search engines' methodologies or other channels that we use to direct traffic to our website are modified to our disadvantage, or our search result page rankings decline for other reasons, our user growth could decline. We depend in part on various internet search engines, such as Google, as well as other channels to direct a significant amount of traffic to our website. Our ability to maintain the number of visitors directed to our website is not entirely within our control. For example, our competitors' search engine optimization and other efforts such as paid search may result in their websites receiving a higher search result page ranking than ours, internet search engines or other channels that we utilize to direct traffic to our website could revise their methodologies in a manner that adversely impacts traffic to our website, or we may make changes to our website that adversely impact our search engine optimization rankings and traffic. As a result, links to our website may not be prominent enough to drive sufficient traffic to our website, and we may not be able to influence the results. Search engines and other channels that we use to drive employers and job seekers to our website periodically change their algorithms, policies, and technologies, sometimes in ways that cause traffic to our website to decline. These changes can also result in an interruption in their ability to access our website or a drop in our search ranking, or have other adverse impacts that negatively affect our ability to maintain and grow the number of employers and job seekers that visit our website. We may also be forced to significantly increase marketing expenditures in the event that market prices for online advertising and paid listings escalate or our organic ranking decreases. Any of these changes could have an adverse impact on our business, user acquisition, and operating results. Our quarterly results may fluctuate significantly and may not fully reflect the underlying performance of our business, which makes our future results difficult to predict. Our quarterly results of operations, including the levels of our revenue, gross margin, and profitability, may vary significantly in the future and period to period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter should not be relied upon as an indication of future performance. We also have a limited operating history and make pricing and other changes from time to time, all of which make it difficult to forecast our future results. As a result, you should not rely upon our past quarterly operating results as indicators of future performance. Factors that may cause fluctuations in our quarterly financial results include, without limitation, those listed below: • our ability to attract new employers and job seekers; • Paid Employer renewal rates; • Paid Employers purchasing upsell services; • the addition or loss of large Paid Employers, including through acquisitions or consolidations; • the timing of recognition of revenue; • the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure; • network outages or security breaches; • general economic, industry and market conditions **, including inflationary pressures, a volatile interest rate environment, increasing borrowing costs, actual or perceived instability in the global banking industry and the impacts, cybersecurity incidents, uncertainty with respect to the federal debt ceiling and budget and potential government shutdowns related thereto and the impacts of the war in Ukraine and the Israel- Hamas war** ; • changes in our pricing policies or those of our competitors; • seasonal variations in sales of our products, which have historically been most pronounced in the fourth quarter of our fiscal year; • the timing and success of new product or service introductions by us or our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors or strategic partners; and • the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill from acquired companies. Our success depends on our ability to maintain the value and reputation of the ZipRecruiter brand. We believe that our brand is important to attracting and retaining both employers and job seekers. Maintaining, protecting, and enhancing our brand depends largely on the success of our marketing efforts, our ability to provide a compelling job marketplace, including services, features, content, and support related to our marketplace, and our ability to successfully secure, maintain, and defend our rights to use the " ZipRecruiter " mark, our logo, and other trademarks important to our brand **. While we constantly measure the expected returns of specific sales and marketing initiatives and adjust spend levels up or down accordingly, it is not certain that these and any future investments have had or will have sufficient positive impact on our brand awareness, and any**

reduction in our levels of investments in brand awareness may harm our brand awareness . We believe that the importance of our brand will increase as competition further intensifies and brand promotion activities may require substantial expenditures. Our brand could be harmed if we cannot achieve these objectives or if our public image were to be tarnished by negative publicity. Unfavorable publicity about us could diminish confidence in our marketplace and services. Such negative publicity also could have an adverse effect on the volume, engagement and loyalty of our employers and job seekers and could have an adverse effect on our business. If we are not able to provide successful enhancements, and new products, services, and features, our business could be adversely affected. The market for job- posting marketplaces is characterized by frequent product and service introductions and enhancements, changing user demands, and rapid technological change. The introduction of products and services embodying new technologies can quickly make existing products and services obsolete and unmarketable. The success of our business will depend, in part, on our ability to adapt and respond effectively and timely to these changes. We invest substantial resources in researching and developing new products and services and enhancing our marketplace by incorporating additional features, improving functionality, and adding other improvements to meet our employers' and job seekers' evolving demands in our highly competitive industry. If we cannot provide enhancements and new features or services that achieve market acceptance or that keep pace with rapid technological developments and the competitive landscape, our business could be adversely affected. The success of any enhancements or improvements to, or new features of, our marketplace or any new products and services depends on several factors, including timely completion, competitive pricing, adequate quality testing, integration with new and existing technologies in our marketplace and third- party partners' technologies, overall market acceptance, and resulting user activity that is consistent with the intent of such products or services. We cannot be sure that we will succeed, either timely or cost effectively, in developing, marketing, and delivering enhancements or new features, products and services to our marketplace that respond to continued changes in the market for job placement services, nor can we be sure that any enhancements or new features to our existing or any new products and services will achieve market acceptance or produce the intended effect. In addition, if new technologies emerge that allow our competitors to deliver similar services at lower prices, more efficiently, more conveniently, or more securely, such technologies could adversely impact our ability to compete. Additionally, because our marketplace operates on a variety of third- party systems and platforms, we will need to continuously modify and enhance our offerings to keep pace with changes in internet- related hardware, operating systems, cloud computing infrastructure, and other software, communication, browser and open source technologies. We may not be successful in either developing these modifications and enhancements or in bringing them to market timely. Furthermore, uncertainties about the timing and nature of new network platforms or technologies, or modifications to existing platforms or technologies, could increase our research and development expenses. Parts of the technology stack supporting our marketplace may also become difficult to maintain and service as there become fewer software engineers who are skilled with respect to the programming languages used to build such pieces of software. Any failure of our marketplace to operate effectively with future network systems and technologies could reduce the demand for our marketplace, result in user dissatisfaction and adversely affect our business. Issues with the use of artificial intelligence (including machine learning) in our marketplace may result in reputational harm or liability, or could otherwise adversely affect our business. Artificial intelligence, or AI, is enabled by or integrated into some of our marketplace and is a significant element of our business. As with many developing technologies, AI presents risks and challenges that could affect its further development, adoption, and use, and therefore our business. AI algorithms may be flawed. Datasets may be insufficient, of poor quality, or contain biased information. Inappropriate or controversial data practices by data scientists, engineers, and end- users of our systems or elsewhere **(including the integration or use of third- party AI tools)** could impair the acceptance of AI solutions and could result in burdensome new regulations that may limit our ability to use existing or new AI technologies. If the recommendations, forecasts, or analyses that AI applications assist in producing are deficient or inaccurate, we could be subject to competitive harm, potential legal liability, and brand or reputational harm. Some AI scenarios present ethical issues. If we enable or offer AI solutions that are controversial because of their purported or real impact on human rights, privacy, employment, or other social issues, we may experience brand or reputational harm. In addition, we expect that there will continue to be new laws or regulations concerning the use of AI. It is possible that certain governments may seek to regulate, limit, or block the use of AI in our products and services or otherwise impose other restrictions that may affect or impair the usability or efficiency of our products and services for an extended period of time or indefinitely. The forecasts of growth of online recruitment may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, we cannot assure you that our business will grow at a similar rate, if at all. Growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not ultimately be accurate and are not under our control. The forecasts relating to the expected growth of the online recruitment market may prove to be inaccurate. Even if the market experiences the growth we forecast, we may not grow our business at a similar rate, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, ~~the~~ **any** forecasts of market growth included in this Annual Report on Form 10- K should not be taken as indicative of our future growth. The growth of our marketplace depends in part on the success of our strategic relationships with our Job Distribution Partners and Job Acquisition Partners. To grow our business and the number of job seekers and employers in our marketplace, we anticipate that we will continue to depend, in part, on relationships with Job Distribution Partners and Job Acquisition Partners. Job Distribution Partners are third- party sites who have a relationship with us and advertise jobs from our marketplace, and ~~includes~~ - **include** job boards, newspaper classifieds, search engines, social networks, talent communities and resume services, while Job Acquisition Partners are third- party sites and ATSs who have a relationship with us and from whom we receive jobs for our marketplace. Our competitors may be effective in providing incentives to these **Job Distribution Partners** ~~job boards and other similar third parties~~ to favor their products or services or to prevent or reduce engagement with our marketplace. In addition, acquisitions of ~~the~~ **our** Job Distribution Partners ~~and~~ **or** Job Acquisition Partners ~~that we partner with~~ by our competitors could reduce the number of our current and potential employers and job seekers as well as the number of job postings accessible by our marketplace. We cannot guarantee that the Job Distribution Partners and Job Acquisition Partners with which we have strategic relationships will continue to offer the services for which we rely on them, devote the resources necessary to expand our reach, or support an increased number of employers and job seekers and associated use cases. Further, some of our Job Distribution Partners and Job Acquisition Partners offer, or could offer, competing products and services or also work with our competitors. They may also choose to develop alternative products and services in addition to, or in lieu of, our marketplace, either on their own or in collaboration with others, including our competitors. While these relationships have not generated substantial revenue in recent periods and are not expected to generate substantial revenue in the future, they are strategically important in ensuring an appropriate balance of and interaction between jobs and job seekers in our marketplace. If we are unsuccessful in establishing or maintaining our relationships with our Job Distribution Partners and Job Acquisition Partners, or if such Job Distribution Partners or Job Acquisition Partners choose to end their relationships with us, our ability to compete with our competitors and grow our marketplace could be impaired and our operating results may be negatively impacted. Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovation, creativity, and teamwork fostered by our culture, and our business may be harmed. We believe that our corporate culture has been a key contributor to our success. If we do not continue to develop our corporate culture as we grow and evolve, it could harm our ability to foster the innovation, creativity, and teamwork we believe that we need to support our growth. As our organization grows and we are required to implement more complex organizational structures, we may find it increasingly difficult to maintain the beneficial aspects of our corporate culture, which could negatively impact our future success. **Furthermore, our restructuring plan enacted in May 2023 may result in increased attrition beyond our intended reduction in force, reduce employee morale, and negatively impact employee recruiting and retention. If we fail to attract new personnel, or fail to retain and motivate our current personnel, our business and growth prospects could be harmed.** Additionally, our hybrid working environment may impede our ability to foster a creative environment and adversely affect the productivity of our team members and overall operations, which could have a material adverse effect on our business, results of operations, financial condition, and future prospects. **Our** ~~While we continue to expend resources to respond to the COVID- 19 pandemic, including to develop and implement internal policies and procedures and track changes in laws, our~~ return- to- work approach may change at any time, and may vary among geographies, depending on applicable health protocols and local conditions **and corresponding changes in laws** . Any prolonged diversion of resources may have an adverse effect on our operations. Technological advances may significantly disrupt the labor market and weaken demand for human capital at a rapid rate. Our success is directly dependent on our employers' demands for talent. As technology continues to evolve, more tasks currently performed by people may be replaced by automation, robotics, **AI, including** machine learning, ~~AI~~ and other technological advances outside of our control. This trend poses a risk to the job posting and distribution industry as a whole, particularly in lower- skill job categories that may be more susceptible to such replacement. Our business is seasonal. Our business is seasonal, reflecting typical behavior in hiring markets, where hiring activity tends to decelerate in the fourth quarter. Such seasonality also causes our revenue to vary from quarter to quarter depending on the variability in the overall job market. This seasonality can make forecasting more difficult and may adversely affect our ability to predict financial results accurately. We track certain performance metrics with internal tools and do not independently verify such metrics. Certain of our performance metrics are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business. We track certain performance metrics, including Quarterly Paid Employers and Revenue per Paid Employer, which are not independently verified by any third party. Our internal tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we report. If the internal tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. In addition, limitations or errors with respect to how we measure data (or the data that we measure) may affect our understanding of certain details of our business, which could affect our longer- term strategies **. While we periodically implement new or enhanced information systems in order to better manage our business operations, align our global organizations and enable future growth, implementation of new business processes and information systems requires the commitment of significant personnel, training and financial resources, and entails risks to our business operations. If we do not successfully implement information systems improvements, or if there are delays or difficulties in implementing these systems, we may not realize anticipated productivity improvements or cost efficiencies, and may experience interruptions in service and operational difficulties, including our ability to effectively aggregate financial data and report operating results, and otherwise effectively manage our business** . If our performance metrics are not accurate representations of our business, user base, or traffic levels ; if we discover material inaccuracies in our metrics ; or if the metrics we rely on to track our performance do not provide an accurate measurement of our business, our reputation may be harmed, we may be subject to legal or regulatory actions, and our operating and financial results could be adversely affected. We derive substantially all of our revenue from job advertisements. We derive substantially all of our revenue from sales of products and services related to the distribution of job advertisements to job seekers across the internet. As such, any factor adversely affecting the sale of these products and services, including market acceptance, product competition, performance and reliability, reputation, price competition, intellectual property claims, legal or regulatory restrictions, and economic and market conditions, could harm our business and operating results. Failure to effectively expand our sales and marketing capabilities could harm our ability to increase our user base and achieve broader market acceptance of our services. Our ability to increase our Paid Employer base and achieve broader market acceptance of our marketplace will depend significantly on our ability to continue to expand our sales and marketing operations. We plan to continue to expand our sales force and to dedicate significant and increasing resources to sales and marketing programs. We are expanding our sales and marketing capabilities to target additional potential Paid Employers, including some larger organizations, but there is no guarantee that we will be successful attracting and maintaining these businesses as users, and even if we are successful, these efforts may divert our resources away from and negatively impact our ability to attract and maintain our current Paid Employer base. All of these efforts will require us to invest significant financial and other resources. If we cannot find efficient ways to deploy our marketing spend or to hire, develop, and retain talented sales personnel in numbers required to maintain and support our growth, if our new sales personnel cannot achieve desired productivity levels in a reasonable period of time, or if our sales and marketing programs are not effective, our ability to increase our Paid Employer base and achieve broader market acceptance of our services could be harmed. Paid Employers may demand more configuration and integration services, or customized features and functions that we do not offer, which could adversely affect our business and operating results. Our current and future Paid Employers may demand more configuration and integration services, which would increase our upfront investment in sales and deployment efforts, with no guarantee that these Paid Employers will increase their use of our services. As a result of these factors, we may need to devote a significant amount of sales support and professional services resources to individual Paid Employers, which may increase the cost and time required to complete sales. If prospective Paid Employers require customized features or functions that we do not offer, and that would be difficult for them to deploy themselves, then the market for our marketplace will be more limited and our business could suffer. As a result, we may need to devote resources to continue to develop features and technology which may impact our operating results. Any failure to offer high- quality technical support services may adversely affect our relationships with our Paid Employers and our financial results. Once our products and services are deployed, our Paid Employers depend on our technical support organization to assist Paid Employers with service support and optimization, and resolve technical issues. We may be unable to respond quickly enough to accommodate short- term increases in demand for support services. We also may be unable to modify the format of our support services to compete with changes in support services provided by our competitors. Increased demand for these services, without corresponding revenue, could increase costs and adversely affect our operating results. In addition, our sales process is highly dependent on our services and business reputation and on positive recommendations from our existing Paid Employers. Any failure to maintain high- quality technical support, or a market perception that we do not maintain high-quality support, could adversely affect our reputation, our ability to sell our services to existing and prospective Paid Employers, and our business, operating results and financial position. We have incurred net losses in the past, anticipate increasing our operating expenses in the future, and may not sustain profitability. While we earned net income of $ **49. 1 million, $** 61. 5 million, **and** $ 3. 6 ~~million, and $ 86. 0~~ million for the years ended December 31, **2023,** 2022, **and** 2021 ~~, and 2020~~ , respectively, we have incurred significant net losses in the past. As of December 31, ~~2022~~ **2023** , we had an accumulated deficit of $ ~~6~~ **5** . ~~3~~ **5** million. We expect to incur additional expenses in connection with legal, accounting, and other administrative expenses related to operating as a public company in addition to ongoing stock- based compensation expense related to the vesting of our **restricted stock units, or** RSUs. Additionally, we expect to make significant future expenditures related to the development and expansion of our business, including investing in our technology to improve our marketplace and investing in sales and marketing channels to enhance our brand promotion efforts. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. If our revenue declines or fails to grow at a rate faster than increases in our operating expenses, we will not be able to maintain profitability in future periods. As a result, we may generate losses. We cannot ensure that we will continue to achieve profitability in the future or that we can sustain profitability. We rely on Amazon Web Services, or AWS, to host our marketplace, and any disruption of service from AWS or material change to our arrangement with AWS could adversely affect our business. We currently host our marketplace and support most of our operations using AWS, a provider of cloud infrastructure services. We do not control the operations of AWS' s facilities. AWS' s facilities are vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, cyber security attacks, terrorist attacks, power losses, telecommunications failures, and similar events or could be subject to break- ins, computer viruses, sabotage, intentional acts of vandalism, and other misconduct. The occurrence of any of these events, a decision to close the facilities or cease or limit providing services to us without adequate notice, or other unanticipated problems could result in interruptions to our marketplace, which may be lengthy. Our marketplace' s continuing and uninterrupted performance is critical to our success and employers and job seekers may become dissatisfied by service interruption. Sustained or repeated system failures could reduce the attractiveness of our marketplace to employers and job seekers, cause employers and job seekers to decrease their use of or stop using our marketplace, and adversely affect our business. Moreover, negative publicity from disruptions could damage our reputation. AWS does not have an obligation to renew its agreements with us on commercially reasonable terms, or at all. If we cannot renew our agreement or are unable to renew on commercially reasonable terms, we may experience costs or downtime in connection with the transfer to, or the addition of, new cloud infrastructure or other data center. If these providers charge high costs for or increase the cost of their services, we will experience higher costs to operate our business and may have to increase the fees to use our marketplace and our operating results may be adversely impacted. Upon expiration or termination of our agreement with AWS, we may not be able to replace the services provided to us in a timely manner or on terms and conditions, including service levels and cost, that are favorable to us, and a transition from one vendor to another vendor could subject us to operational delays and inefficiencies until the transition is complete. Switching our operations from AWS to another cloud or other data center provider would also be technically difficult, expensive, and time consuming. Many people are using mobile devices to access the internet. If we cannot optimize our websites for mobile access or offer a compelling mobile app, we may not remain competitive and could lose employers and job seekers. Many employers and job seekers access our marketplace through our mobile website and **job seekers also have the ability to access our marketplace through our** mobile app. We must ensure that the experience for our mobile offerings is optimized to ensure a positive experience. It requires us to develop and enhance our offerings to be specifically designed for mobile devices, such as social media job postings. If we cannot optimize our websites and apps cost effectively and improve the monetization capabilities of our mobile services, we may not remain competitive, which may negatively affect our business and results of operations. Additionally, there is no guarantee that ~~employers and~~ job seekers will use our mobile ~~apps~~ **app** rather than competing marketplaces. We are dependent on the interoperability of our mobile ~~apps~~ **app** with popular third- party mobile operating systems such as Apple' s iOS and Google' s Android, and their placement in popular app stores like the Apple App Store and Google Play Store, and any changes in such systems that degrade our apps' functionality or give preferential treatment or app store placement to competitive apps could adversely affect the access and usage of our apps on mobile devices. If it is more difficult for employers and job seekers to access and use our ~~apps~~ **app** on their mobile devices, our growth and engagement levels could be harmed **. We face risks associated with having operations and employees located in Israel. A significant portion of our technology team is located in Israel. As a result, political, economic and military conditions in Israel may directly affect our business. In October 2023, Hamas conducted several terrorist attacks in Israel resulting in ongoing war throughout the country, as well as significant military activity, loss of life, casualties, damage to property in the region, and the temporary closure of our office in Israel for several days. In addition, some of our employees located in Israel are obligated to perform annual reserve duty in the Israel Defense Forces, and may be called to active military duty in emergency circumstances, including the war against Hamas. We cannot assess the impact that emergency conditions in Israel and any escalation or broadening thereof may have on our business, operations, financial condition or results of operations, but the impact of such conditions could be material. For example, instability in the region could directly impact our ability to operate our business (or any local contractors' ability to operate their businesses) or cause international currency markets to fluctuate. Additionally, if a significant portion of our employees located in Israel are called for active duty for a significant period of time, or if international political instability and geopolitical tensions continue or increase in the greater Middle East region, our operations, including the development and launch of additional products or services, may be disrupted, which could materially and adversely affect our business and results of operations** . Legal and Regulatory Risks If we or our third- party partners experience a security breach, such as a hacking or phishing attack, or other data privacy or security incident, our marketplace may be perceived as not being secure, our reputation may be harmed, demand for our marketplace may be reduced, our operations may be disrupted, we may incur significant legal costs or liabilities, and our business could be adversely affected. Our business involves the storage, processing, and transmission of proprietary, confidential, and personal information as well as the use of third- party partners and vendors who also store, process, and transmit such user information. We also maintain certain other proprietary and confidential information relating to our business and personal information of our personnel. We have previously experienced multiple data security incidents involving the unauthorized access to personal information of job seekers utilizing our services (including their resumes) as well as affecting our business clients' accounts, some of which have required us to notify affected individuals and / or regulators. Although upon detection of these security incidents we immediately investigate them and have taken steps to reinforce our security practices and enhance our security monitoring and controls, there are no assurances that other data security incidents will not occur in the future. These incidents and any future data security breach, such as a hacking or phishing attack, or other data privacy or security incident, whether intentionally or unintentionally caused by us or by third parties, that we experience could result in **:** unauthorized access to, misuse of, or unauthorized acquisition of our, our personnel' s, or our users' data ; the loss, corruption, or alteration of this data ; interruptions in our operations ; or damage to our computers or systems or those of our users. Any of these could expose us to claims, litigation, fines, other potential liability, and reputational harm. An increasing number of online services have also disclosed security breaches, some of which involved sophisticated and highly targeted attacks, and as our profile and name recognition increase, we may be targeted more frequently. Additionally, malware, viruses, social engineering (including business email compromise), and general hacking in our industry have become more prevalent and more complex. Further, due to the recent shift to remote and hybrid work, there is an increased risk that we may experience cybersecurity related incidents, including breaches of information systems security, as a result of our employees, service providers, and third parties working remotely on less secure systems. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently and often are not foreseeable or recognized until launched against a target, we and our third- party partners and vendors may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of our or our third- party partners' or vendors' security or privacy or other data privacy or security incident occurs, public perception of the effectiveness of our security measures and brand could be harmed, and we could lose users and business. Data security breaches and other data privacy and security incidents may also result from non- technical means, for example, through human error. Any such security compromise could result in a violation of applicable data privacy, security, breach notification and other laws, regulatory or other governmental investigations, enforcement actions, litigation, and legal and financial exposure, including potential contractual liability. We may need to expend significant resources to protect against, and to address issues created by, security breaches and other privacy and security incidents. These liabilities may exceed the amounts covered by our insurance or our insurance coverage may not extend to or be adequate for liabilities actually incurred, or our insurance may not continue to be available to us on economically reasonable terms, or at all. Any such compromise could also result in damage to our reputation and a loss of confidence in our security measures. Our systems, and the systems of our vendors and third- party partners, may also be vulnerable to computer viruses and other malicious software, physical or electronic break- ins, or weakness resulting from intentional or unintentional service provider actions, and similar disruptions that could make all or portions of our website or applications unavailable for periods of time. Any of these effects could adversely impact our business. We face payment and fraud risks that could adversely impact our business. Requirements in our marketplace relating to user authentication and fraud detection are complex. If our user authentication and fraud detection measures are not effective, our marketplace may be perceived as not being secure, our reputation may be harmed, and our business may be adversely impacted. In addition, bad actors use increasingly sophisticated methods to engage in illegal activities involving personal information, such as unauthorized or fraudulent use of another' s identity, payment information, or other information ; misrepresentation of the user' s identity or skills, including using accounts that they have purchased, sold, or leased ; and acquisition or use of credit or debit card details and bank account information. This conduct in our marketplace could result in any of the following, each of which could adversely impact our business: • bad actors may use our marketplace, including our payment processing and disbursement methods, to engage in unlawful or fraudulent conduct, such as identity theft, money laundering, terrorist financing, fraudulent sale of services, bribery, breaches of security, leakage of data, piracy or misuse of software and other copyrighted or trademarked content, and other misconduct ; • we may be held liable for the unauthorized use of an account holder' s credit card or bank account number and required by card issuers or banks to return the funds at issue and pay a chargeback or return fee, and if our chargeback or return rate becomes excessive, credit card networks may also require us to pay fines or other fees and the California Department of Business Oversight may require us to hold cash reserves ; • we may be subject to additional risk and liability exposure, including for negligence, fraud, or other claims, if employees or third- party service providers fraudulently misappropriate our banking or other information or user information ; • employers and job seekers that are subjected or exposed to the unlawful or improper conduct of other employers and job seekers or other third parties, or law enforcement or administrative agencies, may seek to hold us responsible for the conduct of employers and job seekers, lose confidence in our marketplace, decrease or cease use of our marketplace, seek to obtain damages and costs, or impose fines and penalties ; • we may be subject to additional risk if employers in our marketplace cannot pay hired job seekers for services rendered, as such job seekers may seek to hold us responsible for the employers' conduct and may lose confidence in our marketplace, decrease or cease use of our marketplace, or seek to obtain damages and costs ; and • we may suffer reputational damage as a result of the occurrence of any of the above. Despite measures we have taken to detect, prevent, and mitigate these risks, we do not have control over the employers and job seekers in our marketplace and cannot ensure that any of our measures will stop or minimize the use of our marketplace for, or to further, illegal or improper purposes. We may receive complaints from employers, job seekers and other third parties concerning misuse of our marketplace and wrongful conduct of other employers and job seekers. We may also bring claims against employers and job seekers and other third parties for their misuse of our marketplace in the future. Even if these claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the attention and resources of our management and adversely affect our business and operating results. Changes in laws or regulations relating to data privacy or the protection, collection, storage, processing, transfer, or use of personal data, or AI, or any actual or perceived failure by us to comply with such laws and regulations or our privacy policies, could adversely affect our business. We receive, collect, store, process, transfer, and use personal information and other user data. There are numerous federal, state, local, and international laws and regulations regarding data privacy, data protection, AI (including machine learning) information security, and the collection, storing, sharing, use, processing, transfer, disclosure, and protection of personal information and other content. The scope of these laws and regulations is changing, subject to differing interpretations, and may be inconsistent among countries **or between U. S. states** , or conflict with other laws and regulations. We are also subject to the terms of our privacy policies and obligations to third parties related to privacy, data protection, AI, and information security. The regulatory framework for privacy and data protection worldwide is uncertain and complex, and these or other actual or alleged obligations may be interpreted and applied in ways we do not anticipate or that are inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Further, any significant change to applicable laws, regulations, or industry practices regarding the collection, use, retention, security, or disclosure of the data of our employers and job seekers, employees, contractors, or others, or their interpretation, or any changes regarding the manner in which the express or implied consent of employers and job seekers for the collection, use, retention, or disclosure of such data must be obtained, could increase our costs and require us to modify our services and features, which may be material or not cost- effective, and may limit our storage and processing of user data or develop new services and features. We also expect that there will continue to be new laws, regulations, and industry standards concerning privacy, data protection, and information security proposed and enacted in various jurisdictions. For example, in 2018, European legislators adopted the General Data Protection Regulation, or the GDPR, which imposes more stringent European Union, or EU, data protection requirements, and provides for significant penalties for noncompliance. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. Compliance with the GDPR has been and will continue to be a rigorous and time- intensive process that may increase our cost of doing business or require us to change our business practices, and may subject us to governmental investigations or enforcement actions, fines and penalties, claims, litigation, and reputational harm in connection with any European activities. Further, the United Kingdom, or the UK, has enacted the UK GDPR, which, together with the amended UK Data Protection Act 2018, or DPA, retains the GDPR in UK national law. Fines for certain breaches of the GDPR and the UK data protection regime are significant (e. g., fines for certain breaches of the GDPR or the UK GDPR are up to the greater of 20 million Euros (or 17. 5 million GBP under the UK GDPR) or 4 % of total global annual turnover). Additionally, the California Consumer Privacy Act, or CCPA, which afforded new data privacy rights for consumers and new operational requirements for companies, came into force in 2020, and also provides for fines for noncompliance. The California Privacy Rights and Enforcement Act of 2020, or CPRA, which took effect on January 1, 2023, further expanded the CCPA with additional data privacy compliance requirements and rights for California consumers, and established a new regulatory agency dedicated to enforcing those requirements. Comprehensive privacy legislation has also been enacted in **more than one-** ~~four~~ **fourth** ~~other~~ **of** U. S. states **(with several states going into effect in the near future)** and **each** imposes similar **, but not identical,** compliance obligations. ~~These laws are the Virginia Consumer Data Protection Act of 2021, or CDPA, which went into effect on January 1, 2023, the Colorado Privacy Act, or CPA, and Connecticut Data Privacy Act, or CTDPA, which will each go into effect on July 1, 2023, and the Utah Consumer Privacy Act, or UCPA, which will go into effect on December 1, 2023.~~ In **addition** ~~the United States~~ , several data privacy proposals (including proposed comprehensive legislation) are pending before **U. S.** federal and state legislative and regulatory bodies, which may impose significant obligations and restrictions. The effects of ~~the~~ **these laws** ~~CPRA, the VCDPA, the CPA, the CTDPA and the UCPA~~ are potentially significant and may require us to modify our data collection or processing practices and policies and to incur substantial costs and expenses in an effort to comply, and increase our potential exposure to regulatory enforcement and / or litigation. In addition, New York City **currently** ~~passed a law to regulate~~ **regulates** the use of automated employment decision tools by employers and employment agencies ~~, and the scope of the law is currently being determined through rulemaking~~ . The costs of compliance with, and other burdens imposed by, the GDPR, the UK GDPR, the DPA, the CCPA, and others may limit the use and adoption of our products and services and could have an adverse impact on our business. As a result, we may need to modify the way we treat, process, or store such information **. Further, on July 26, 2023, the SEC adopted new cybersecurity disclosure rules for public companies that require disclosure regarding cybersecurity risk management (including the board' s role in overseeing cybersecurity risks, management' s role and expertise in assessing and managing cybersecurity risks and processes for assessing, identifying and managing cybersecurity risks) in Annual Reports on Form 10- K. These new cybersecurity disclosure rules also require the disclosure of material cybersecurity incidents in Current Reports on Form 8- K within four business days of determining an incident is material** . Any failure or perceived failure by us to comply with our privacy policies, our privacy-related obligations to employers and job seekers, employees, contractors, or other third parties, or any other legal obligations or regulatory requirements relating to privacy, data protection, AI, or information security may result in governmental and regulatory investigations or enforcement and / or assessment notices (for a compulsory audit), orders to cease or change our processing of our data, litigation, claims (including representative actions and other class action type litigation, where individuals have suffered harm), or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our employers and job seekers to lose trust in us, and otherwise have an adverse effect on our reputation and business. Furthermore, the costs of compliance with such laws, regulations and policies may limit the adoption and use of, and reduce the overall demand for, our marketplace. Failure to comply with anti- corruption and anti- money laundering laws, including the Foreign Corrupt Practices Act, or FCPA, and similar laws associated with our activities outside of the United States, could subject us to penalties and other adverse consequences. We have voluntarily implemented policies and procedures designed to allow us to comply with U. S. economic sanctions laws and prevent our marketplace from being used to facilitate business in countries or with persons or entities included on designated lists promulgated by the U. S. Department of the Treasury' s Office of Foreign Assets Control, or OFAC, and equivalent foreign authorities. We may be subject to fines or other penalties in one or more jurisdictions levied by federal, state or local regulators, in the event that we engage in any conduct, intentionally or not, that facilitates money laundering, terrorist financing, or other illicit activity, or that violates sanctions or otherwise constitutes sanctionable activity. Regulators continue to increase their scrutiny of compliance with these obligations, which may require us to further revise or expand our compliance program, including the procedures that we use to verify the identity of our users and to monitor our marketplace for potential illegal activity. In addition, any policies and procedures that we implement to comply with OFAC regulations may not be effective, including in preventing users from using our services within the OFAC- sanctioned countries of North Korea, Syria, Cuba, Iran, Russia, and the **breakaway regions of Ukraine (which currently include** Crimea, Donetsk and Luhansk **)** ~~regions of Ukraine~~ , or additional countries or regions that may be included from time- to- time. Given the technical limitations in developing controls to prevent, among other things, the ability of users to publish in our marketplace false or deliberately misleading information or to develop sanctions- evasion methods, it is possible that we may inadvertently and without our knowledge provide services to individuals or entities that have been designated by OFAC or are located in a country subject to an embargo by the United States that may not be in compliance with the economic sanctions regulations administered by OFAC. Consequences for failing to comply with applicable rules and regulations could include fines, criminal and civil lawsuits, forfeiture of significant assets, or other enforcement actions. We could also be required to make changes to our business practices or compliance programs as a result of regulatory scrutiny. In addition, any perceived or actual breach of compliance by us, our employers and job seekers, or payment partners with respect to applicable laws, rules, and regulations could have a significant impact on our reputation and could cause us to lose existing employers and job seekers, prevent us from obtaining new employers and job seekers, cause other payment partners to terminate or not renew their agreements with us, require us to expend significant funds to remedy problems caused by violations and to avert further violations, and expose us to legal risk and potential liability, all of which may adversely affect our business, operating results, and financial condition and may cause the price of our common stock to decline. We are also subject to the FCPA, the U. S. domestic bribery statute contained in 18 U. S. C. § 201, the U. S. Travel Act, and the UK Bribery Act 2010, and may be subject to other anti- bribery, anti- money laundering, and sanctions laws in countries in which we conduct activities or have employers and job seekers. The FCPA prohibits providing, offering, promising, or authorizing, directly or indirectly, anything of value to government officials, political parties, or political candidates for the purposes of obtaining or retaining business or securing any improper business advantage. The provisions of the Bribery Act extend beyond bribery of government officials and create offenses in relation to commercial bribery including private sector recipients. The provisions of the Bribery Act also create offenses for accepting bribes in addition to bribing another person. We face significant risks if we cannot comply with the FCPA, the Bribery Act and other applicable anti- corruption laws. We have implemented an anti- corruption compliance policy, but we cannot ensure that all of our employees, employers and job seekers, and agents, as well as those contractors to which we outsource certain of our business operations, will not take actions in violation of our policies or agreements and applicable law, for which we may be ultimately held responsible. Any violation of the FCPA, the Bribery Act, other applicable anti- corruption laws, and other laws could result in investigations and actions by federal or state attorneys general or foreign regulators, loss of export privileges, severe criminal or civil fines and penalties or other sanctions, forfeiture of significant assets, debarment from government contracts, whistleblower complaints, and adverse media coverage, which could have an adverse effect on our reputation, business, operating results, and prospects. In addition, responding to any enforcement action or internal investigation related to alleged misconduct may result in a significant diversion of management' s attention and resources and significant defense costs and other professional fees. We are subject to a wide variety of foreign and domestic laws. As we look to expand our international footprint over time and as new domestic laws are implemented, we may become obligated to comply with additional laws and regulations of the countries or markets in which we operate or have employers and job seekers. We and our employers and job seekers are subject to a wide variety of foreign and domestic laws. Laws, regulations, and standards governing issues that may affect us, such as employment, payments, whistleblowing and worker confidentiality obligations, intellectual property, consumer protection, taxation, privacy, data security, **AI,** benefits, unionizing and collective action, arbitration agreements and class action waiver provisions, unfair competition, terms of service, website accessibility **, modern slavery obligations** , background checks, and escheatment are often complex and subject to varying interpretations, and, as a result, their application in practice may change or develop over time through judicial decisions or as new guidance or interpretations are provided by regulatory and governing bodies. Many of these laws do not contemplate or address the unique issues of the internet, mobile, and related technologies. Other laws and regulations in response to internet, mobile, and related technologies may also be adopted, implemented, or interpreted to apply to us and other online services marketplaces or our users. Likewise, these laws affect our users, and their application, or uncertainty around their application, may affect demand for our marketplace. New approaches to policymaking and legislation may also produce unintended harms for our business, which may impact our ability to operate our business in the manner in which we are accustomed. Any of these regulations could negatively impact our users, including perceptions regarding their use of our marketplace, or have a material adverse effect on the demand for job postings in our marketplace or on how we operate our marketplace. As we look to expand our international footprint over time, we may become obligated to comply with additional laws and regulations of the countries or markets in which we operate or have customers or job seekers. We may be harmed if we are found to be subject to new or existing laws and regulations or if those laws are interpreted and applied to us in a manner that harms our business or is inconsistent with the application of U. S. laws, including with respect to those subjects mentioned above. In addition, contractual provisions that are designed to protect and mitigate against risks, including terms of service, arbitration and class action waiver provisions, disclaimers of warranties, limitations of liabilities, releases of claims, and indemnification provisions, could be deemed unenforceable as to the application of these laws and regulations by a court, arbitrator, or other decision- making body. If we cannot comply with these laws and regulations or manage the complexity of global operations and support an international user base successfully or cost effectively, or if these laws and regulations are deemed to apply to our users or cause a decline in demand for our marketplace, our business, operating results, and financial condition could be adversely affected. We plan to expand our international operations which could subject us to additional costs and risks, and our continued expansion internationally may not be successful. We plan to expand our operations internationally in the future. Outside of the United States, we currently have operations in the United Kingdom, Israel, and Canada. There are significant costs and risks inherent in conducting business in international markets, including: • establishing and maintaining effective controls at foreign locations and the associated costs; • adapting our marketplace to non- U. S. employers' and job seekers' preferences and customs; • increased competition from local providers; • longer sales or collection cycles in some countries; • compliance with foreign laws and regulations, including data privacy frameworks like the GDPR **, UK GDPR and DPA** ; • adapting to doing business in other languages or cultures; • compliance with local tax regimes, including potential double taxation of our international earnings, and potentially adverse tax consequences due to U. S. and foreign tax laws as they relate to our international operations; • compliance with anti- bribery laws, such as the FCPA and the Bribery Act; • currency exchange rate fluctuations and related effects on our operating results; • economic and political instability in some countries ~~, such as the war in Ukraine~~ ; • the uncertainty of obtaining and protecting intellectual property rights in some countries and practical difficulties of enforcing rights abroad; and • other costs of doing business internationally. These factors and other factors could harm our international operations and, consequently, materially impact our business, operating results, and financial condition. Further, we may incur significant operating expenses as a result of our international expansion, and it may not be successful. We have limited experience with regulatory environments and market practices internationally, and we may not be able to penetrate or successfully operate in new markets. We also have more limited brand recognition in certain parts of the world, leading to delayed acceptance of our marketplace by international employers and job seekers. If we cannot continue to expand internationally and manage the complexity of our global operations successfully, our financial condition and operating results could be adversely affected. Privacy concerns and laws or other domestic or foreign regulations may reduce the effectiveness of our marketplace, disrupt our communication processes, and adversely affect our business. In order to use our marketplace, employers, job seekers, and, to a lesser extent, other third parties including advertisers, partners, and our own employees, entrust us to collect, use, and store their personal information. Our ability to leverage this information and to effectively and efficiently provide our services, including by communicating electronically and otherwise with employers and job seekers of our marketplace, is critical to our business. By way of example, our services may include the sending and receiving of emails, SMS / text messages, in- platform messages, and push notifications on mobile devices. Certain federal, state and foreign government bodies and agencies have adopted, and others are considering adopting, or may adopt in the future, laws and regulations regarding the collection, use, transfer, storage and disclosure of personal information obtained from consumers, customers, employees, and other individuals, and the conditions under which businesses may communicate with such individuals and other third parties. ~~The~~ **A determination that there have been violations of laws relating to our practices under communications- based laws, such as the Telephone Consumer Protection Act (TCPA), could also expose us to significant damage awards, fines and other penalties that could, individually or in the aggregate, materially harm our business. In addition, the** costs of compliance with, and other burdens imposed by, such laws and regulations that are applicable to the businesses of our employers and job seekers may limit the use of our marketplace and reduce overall demand, or lead to significant fines, penalties or liabilities for any noncompliance with such privacy laws. Moreover, third- party gatekeepers and service providers and their interpretation and application of privacy and data protection laws, rules, regulations, and best practices, may limit, disrupt, or require alteration of our operations, service offerings, and ability to communicate with and among employers and job seekers, and may adversely affect our business. From time to time, we may be subject to legal proceedings, regulatory disputes, and governmental investigations that could cause us to incur significant expenses, divert our management' s attention, and materially harm our business, financial condition, and operating results. From time to time, we may be subject to claims, lawsuits (including class actions), government investigations, arbitrations and other proceedings involving competition and antitrust, intellectual property, privacy **(including claims that the collection or provision of certain information, including personal information, by us or by third parties with whom we interact breached laws or regulations relating to privacy or data protection)** , consumer protection, securities, tax, labor and employment, commercial disputes, and other matters that could adversely affect our business operations and financial condition. The outcome of any legal proceeding, regardless of its merits, is inherently uncertain. Regardless of the merits, pending or future legal proceedings could result in a diversion of management' s attention and resources and reputational harm, and we may be required to incur significant expenses defending against these claims or pursuing claims against third parties to protect our rights. If we do not prevail in litigation, we could incur substantial liabilities. We may also determine in certain instances that a settlement may be a more cost- effective and efficient resolution for a dispute. Where we can make a reasonable estimate of the liability relating to pending litigation and determine that it is probable, we record a related liability. As additional information becomes available, we assess the potential liability and revise estimates as appropriate. However, because of uncertainties relating to litigation, the amount of our estimates could be wrong as determining reserves for pending legal proceedings is a complex, fact- intensive process that is subject to judgment calls. The results of legal and regulatory proceedings cannot be predicted with certainty, and determining reserves for pending litigation and other legal and regulatory matters requires significant judgment. There can be no assurance that our expectations will prove correct, and even if these matters are resolved in our favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could harm our business. Any adverse determination related to legal proceedings or a settlement agreement could require us to change our technology or our business practices in costly ways, prevent us from offering certain products or services, require us to pay monetary damages, fines, or penalties, or require us to enter into royalty or licensing arrangements, and could adversely affect our operating results and cash flows, harm our reputation, or otherwise negatively impact our business. Our failure or inability to protect our intellectual property rights, or claims by others that we are infringing upon or unlawfully using their intellectual property, could diminish the value of our brand and weaken our competitive position, and adversely affect our business, financial condition, operating results, and prospects. Our success depends in large part on our proprietary technology and other intellectual property rights, or IPR. We currently rely on a combination of copyright, trademark, trade secret, and unfair competition laws, as well as confidentiality agreements and procedures and licensing arrangements, to establish and protect our IPR. We currently do not own any patents. We have devoted substantial resources to the development of our proprietary technologies and related processes. To protect our proprietary technologies and processes, we rely in part on trade secret laws and confidentiality agreements with our employees, licensees, independent contractors, commercial partners, and other advisors. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. We cannot be certain that the steps taken by us to protect our IPR will be adequate to prevent infringement of such rights by others. Additionally, the process of obtaining protection for trademarks and other IPR is expensive and time- consuming, and we may not be able to apply for all necessary or desirable trademark and other IPR applications at a reasonable cost or in a timely manner. Additionally, the process of obtaining patent or trademark protection is expensive and time- consuming, and we may not be able to prosecute all necessary or desirable patent applications or apply for all necessary or desirable trademark applications at a reasonable cost or in a timely manner. Moreover, intellectual property protection may be unavailable or limited in some foreign countries where laws or law enforcement practices may not protect our IPR as fully as in the United States, and it may be more difficult for us to successfully challenge the unauthorized use of our IPR by other parties in these countries. Costly and time- consuming litigation could be necessary to enforce and determine the scope of our IPR, and our failure or inability to obtain or maintain IPR protection or otherwise protect our IPR could adversely affect our business. We may in the future be subject to patent infringement and trademark claims and lawsuits in various jurisdictions, and we cannot be certain that our products or activities do not violate the patents, trademarks, or other IPR of third- party claimants. Companies in the technology industry and other patent, copyright, and trademark holders seeking to profit from royalties in connection with grants of licenses own large numbers of patents, copyrights, trademarks, domain names, and trade secrets and frequently commence litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights. As we face increasing competition and gain an increasingly high profile, the likelihood of IPR claims against us has grown and will likely continue to grow. Further, from time to time, we may receive letters from third parties alleging that we are infringing upon their IPR or inviting us to license their IPR. **We could also be subject to claims based upon the content that is accessible from our website through links to other websites or information on our website supplied by third parties or claims that our collection of information from third- party sites without a license violates certain federal or state laws or website terms of use.** Successful infringement claims against us could result in significant monetary liability, prevent us from selling some of our products and services, or require us to change our branding. In addition, resolution of claims may require us to redesign our products, license rights from third parties at a significant expense, or cease using those rights altogether. We may in the future bring claims against third parties for infringing our IPR. Costs of supporting such litigation and disputes may be considerable, and there can be no assurances that a favorable outcome will be obtained. Patent infringement, trademark infringement, trade secret misappropriation, and other intellectual property claims and proceedings brought against us or brought by us, whether successful or not, could require significant attention of our management and resources and have in the past and could further result in substantial costs, harm to our brand, and have an adverse effect on our business. Adverse tax laws or regulations could be enacted or existing laws could be applied to us or our employers and job seekers, which could increase the costs of our services and adversely impact our business. The application of federal, state, local and international tax laws to services provided electronically is evolving. New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time (possibly with retroactive effect), and could be applied solely or disproportionately to services provided over the internet. These enactments could adversely affect our sales activity due to the inherent cost increase the taxes would represent and ultimately result in a negative impact on our operating results and cash flows. In addition, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us (possibly with retroactive effect), which could require us or our employers and job seekers to pay additional tax amounts, as well as require us or our employers and job seekers to pay fines or penalties and interest for past amounts. If we are unsuccessful in collecting such taxes from our employers and job seekers, we could be held liable for such costs, thereby adversely impacting our operating results and cash flows. Furthermore, the Inflation Reduction Act imposes a 1 % non- deductible excise tax on the fair market value of any stock repurchased by a publicly traded domestic corporation during any taxable year, with the fair market value of such repurchased stock reduced by the fair market value of certain stock issued by such corporation during such taxable year. This tax **applies** ~~will apply~~ to our share repurchase program beginning in 2023, where such program is described in the below risk factor titled " Our share repurchase program could affect the price of our Class A common stock and increase volatility and may be suspended or terminated at any time, which may result in a decrease in the trading price of our Class A common stock. " Other Risks Related to Our Business Our business is subject to the risk of earthquakes, fire, power outages, floods, public health crises, including pandemics, and other catastrophic events, and to interruption by man- made problems such as terrorism. Our business is vulnerable to damage or interruption from earthquakes, fires, floods, power losses, telecommunications failures, terrorist attacks, acts of war, human errors, break- ins, public health crises **such as global pandemics** , and similar events. Additionally, the third- party systems and operations, such as the data centers and online services we use in our company operations, are subject to similar risks. Our insurance policies may not cover losses from these events or may provide insufficient compensation that does not cover our total losses. **To** ~~For example,~~ the **extent** ~~COVID- 19 pandemic resulted in~~ a ~~widespread global health crisis and adversely affected global economies and financial markets, and similar public health threats could do so in the future. To the extent the COVID- 19 pandemic or another~~ significant public health threat, or the related macroeconomic impacts, has an impact on our business, results of operations, and financial condition, it is likely also to have the effect of heightening many of the other risks described in this " Risk Factors " section. Such events have impacted, and could in the future impact, demand for products sold in our marketplace, which in turn could adversely affect our revenue and results of operations. In addition, acts of terrorism, which may be targeted at metropolitan areas that have higher population density than rural areas, could also cause disruptions in our business or the economy as a whole. A significant portion of our technology team is located in Israel, which is located in a region of the world that historically has experienced elevated levels of geopolitical instability **(see " — We face risks associated with having operations and employees located in Israel " above for additional information regarding risks related to our operations in Israel)** . Our corporate offices and our primary data center facilities are located in California, a state that frequently experiences earthquakes and wildfires. We may not have sufficient protection or recovery plans. As we rely heavily on our data center facilities, computer and communications systems, and the internet to conduct our business and provide high- quality user service, these disruptions could negatively impact our ability to run our business. Our indebtedness could adversely affect our liquidity and financial condition. We had $ 550. 0 million of indebtedness (excluding intercompany indebtedness) and $ ~~244~~ **245** . ~~6~~ **7** million available under our credit facility as of December 31, ~~2022~~ **2023** . Our indebtedness could have important consequences, including: • making it more difficult for us to satisfy our debt obligations; • limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements; • requiring a portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes; • increasing our vulnerability to adverse changes in general economic, industry and competitive conditions; and • increasing our cost of borrowing. In addition, the credit agreement that governs our credit facility and the indenture governing the $ 550. 0 million aggregate principal amount of our senior unsecured notes that we issued in January 2022 contain restrictive covenants that limit our ability to engage in activities that may be in our long- term best interest. Our failure to comply with those covenants could result in an event of default under the credit agreement that governs our credit facility or the indenture governing the senior unsecured notes which, if not cured or waived, could result in the acceleration of substantially all of our indebtedness. We may not be able to generate sufficient cash to service all of our indebtedness, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful. Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and results of operations, which in turn are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness. Our ability to restructure or refinance our debt will depend on, among other things, the condition of the capital 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. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. In the absence of such cash flows 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. Further, the credit agreement governing our credit facility contains, and any future credit facility or other debt instrument may contain, provisions that will restrict our ability to dispose of assets and use the proceeds from any such disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. If we cannot make the scheduled payments on our debt, we will be in default and, as a result, the lenders under our credit facility and the holders of the senior unsecured notes could declare all outstanding principal and interest to be due and payable, the lenders under our credit facility could terminate their commitments to loan money and foreclose against the assets securing the borrowings under such credit facility, and we could be forced into bankruptcy or liquidation, which could result in an adverse impact to your investment in our company. Covenants in our debt agreements may restrict our operations, and if we do not effectively manage our business to comply with these covenants, our financial condition could be adversely impacted. We entered into a Credit Agreement with the lenders named therein, and JPMorgan Chase Bank, N. A., as administrative agent, in April 2021, which provides for a $ 250. 0 million secured line of credit. We also entered into an indenture in January 2022, which governs the senior unsecured notes. The credit facility and the indenture that governs the senior unsecured notes contain various restrictive covenants, including, among other things, net leverage ratio requirements, and restrictions on our ability to dispose of assets, make acquisitions or investments, incur debt or liens, make distributions to our stockholders, or enter into certain types of related party transactions. These restrictions may restrict our current and future operations, particularly our ability to respond to certain changes in our business or industry, or take future actions. Pursuant to the credit agreement, we granted the lenders thereto a security interest in substantially all of our assets. See the section titled " Management' s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources " for additional information. Our ability to meet these restrictive covenants can be impacted by events beyond our control and we may be unable to do so. Our credit agreement and the indenture governing the senior unsecured notes provides that our breach or failure to satisfy certain covenants constitutes an event of default. Upon the occurrence of an event of default, the lender could elect to declare all amounts outstanding under its debt agreements to be immediately due and payable, and holders of the senior unsecured notes could declare all outstanding principal and interest to be due and payable. In addition, the lender would have the right to proceed against the assets we provided as collateral pursuant to the credit agreement. If the debt under our credit agreement or the senior unsecured notes were to be accelerated, we may not have sufficient cash on hand or be able to sell sufficient collateral to repay such debts, which would have an immediate adverse effect on our business, liquidity, and financial condition. We may engage in merger and acquisition activities, which could require significant management attention, disrupt our business, dilute stockholder value, consume resources that are necessary to sustain our business, and adversely affect our operating results. As part of our business strategy, we may make investments in other companies, products, or technologies. At any given time, we may be engaged in discussions or negotiations with respect to one or more of these types of transactions. Any acquisition, investment, or business relationship may result in unforeseen or additional operating difficulties, risks, and expenditures. We may not be able to find suitable acquisition candidates and we may not be able to complete acquisitions on favorable terms, if at all. If we do complete acquisitions in the future, we may not ultimately strengthen our competitive position or achieve our goals, and any acquisitions we complete could be viewed negatively by employers and job seekers. In addition, if we cannot successfully integrate such acquisitions, or the assets, technologies or personnel associated with such acquisitions, into our company, the anticipated benefits of any acquisition, investment, or business relationship may not be realized. Additionally, we may be exposed to unknown or additional risks and liabilities. We may in the future seek to acquire or invest in additional businesses, products, technologies, or other assets. We also may enter into relationships with other businesses to expand our marketplace or our ability to provide our marketplace in foreign jurisdictions, which could involve preferred or exclusive licenses, additional channels of distribution, discount pricing, or investments in other companies. Negotiating these transactions can be time consuming, difficult, and expensive, and our ability to close these transactions may often be subject to approvals that are beyond our control. Consequently, these transactions, even if undertaken and announced, may not close. Acquisitions may disrupt our ongoing operations, divert management from their primary responsibilities, dilute our corporate culture, subject us to additional liabilities, increase our expenses, and adversely impact our business, financial condition, operating results, and cash flows. We may not successfully evaluate or use the acquired technology and accurately forecast the financial impact of an acquisition transaction, including accounting charges. We may have to pay cash, incur debt, or issue equity securities to pay for any such acquisition, each of which could affect our financial condition, result in dilution to our stockholders or increase our fixed obligations. We may require additional capital to support business growth and objectives, and this capital might not be available to us on reasonable terms, if at all, and may result in stockholder dilution. We expect that our existing cash, cash equivalents, and marketable securities will be sufficient to meet our anticipated cash needs for the foreseeable future. However, we intend to continue to make investments to support our business growth and may require additional capital to fund our business and to respond to competitive challenges, including the need to promote and enhance our marketplace, develop new products and services, enhance our operating infrastructure, and potentially to acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financings to secure additional funds. There can be no assurance that such additional funding will be available on terms attractive to us, or at all. Our inability to obtain additional funding when needed could have an adverse effect on our business, financial condition, and operating results. If additional funds are raised through the issuance of equity or convertible debt securities, holders of our Class A common stock could suffer significant dilution, and any new shares we issue could have rights, preferences, and privileges superior to those of our Class A common stock. Additionally, a substantial number of shares of our common stock are available for future sale pursuant to stock options, RSUs, or issuance pursuant to our equity incentive plans and employee stock purchase plan. Any debt financing secured by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. The requirements of being a public company, including maintaining adequate internal control over our financial and management systems, may strain our resources, divert management' s attention, and affect our ability to attract and retain executive management and qualified board members. We are subject to the reporting requirements of the Exchange Act, the Sarbanes- Oxley Act of 2002, or the Sarbanes- Oxley Act, the rules subsequently implemented by the SEC, the rules and regulations of the listing standards of the New York Stock Exchange and other applicable securities rules and regulations. Compliance with these rules and regulations has increased our legal and financial compliance costs and strains our financial and management systems, internal controls, and employees. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results. Moreover, the Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures, and internal control over financial reporting. We are required to make a formal assessment and provide an annual management report on the effectiveness of our internal control over financial reporting ~~beginning with this Annual Report on Form 10- K~~. We have not identified any material weaknesses in our internal control over financial reporting during **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~. However, to maintain and, if required, improve our disclosure controls and procedures, and internal control over financial reporting to meet the standards of the Sarbanes- Oxley Act, additional and potentially significant resources and management oversight may be required. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our business or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods ~~. Because we no longer qualify as an emerging growth company at the conclusion of the fiscal year ended December 31, 2022, we are required to include in this Annual Report on Form 10- K an attestation report as to the effectiveness of our internal control over financial reporting that is issued by our independent registered public accounting firm~~. Any failure to implement and maintain effective internal control over financial reporting could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we are required to include in our periodic reports ~~that will be~~ filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on our stock price. The new rules and regulations applicable to public companies, and stockholder litigation brought against recently public companies, have made it more expensive for us to obtain and maintain director and officer liability insurance, and we may be required to incur substantially higher costs to obtain and maintain the same or similar coverage. Our management team has limited experience managing a public company. Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. We are subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. These obligations and constituents require significant attention from our senior management and could divert their attention away from the day- to- day management of our business, which could adversely affect our business, financial condition, and operating results. Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States. Generally accepted accounting principles in the United States are subject to interpretation by the Financial Accounting Standards Board (FASB), the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results and could affect the reporting of transactions completed before the announcement of a change. If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and stockholders' equity / deficit, and the amount of revenue and expenses that are not readily apparent from other sources. Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the price of our Class A common stock. Fluctuations in currency exchange rates could harm our operating results and financial condition. Transactions generated in countries other than the United States as well as those incurred by our international subsidiaries are often denominated in the currencies of the local countries. As a result, our consolidated U. S. dollar financial statements are subject to fluctuations due to changes in exchange rates as the financial results of our international subsidiaries are translated from local currencies into U. S. dollars. Our financial results are also subject to changes in exchange rates that impact the settlement of transactions in non- local currencies. To date, we have not engaged in currency hedging activities to limit the risk of exchange fluctuations and, as a result, our financial condition and operating results could be adversely affected by such fluctuations. Risks Related to the Ownership of Our Class A Common Stock Market volatility may affect the value of an investment in our Class A common stock and could subject us to litigation. Technology stocks have historically experienced high levels of volatility. The price of our Class A common stock also could be subject to wide fluctuations in response to the risk factors described in this Annual Report on Form 10- K and others beyond our control, including: • the number of shares of our Class A common stock and Class B common stock publicly owned and available for trading; • actual or anticipated fluctuations in our financial condition, operating results and other operating and non- GAAP metrics; • our actual or anticipated operating performance and the operating performance of our competitors; • changes in the projected operational and financial results we provide to the public or our failure to meet those projections; • any major change in our board of directors, management, or key personnel; • the impact of, including but not limited to, market volatility ~~,~~ **and** macroeconomic conditions such as inflation and any recession ~~, and economic disruption caused by COVID- 19 or any other worldwide pandemic~~ ; • rumors and market speculation involving us or other companies in our industry; • announcements by us or our competitors of significant innovations, new products, services, features, integrations or capabilities, acquisitions, strategic investments, partnerships, joint ventures, or capital commitments; • lawsuits threatened or filed against us; • other events or factors, including those resulting from **a** ~~the COVID- 19~~ pandemic, war, incidents of terrorism, natural disasters, or responses to these events; and • sales or expected sales of our Class A common stock by us, and our officers, directors, and principal stockholders. Furthermore, the stock market has recently experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies and financial services and technology companies in particular. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political, and market conditions such as recessions, interest rate changes, or international currency fluctuations, may negatively impact the market price of our Class A common stock ~~. These fluctuations may be even more pronounced in the trading market for our Class A common stock following the recent listing of our Class A common stock on the New York Stock Exchange as a result of the supply and demand forces described above~~ . In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management' s attention from other business concerns, which could harm our business. The dual class structure of our common stock concentrates voting control with those stockholders who held our capital stock prior to our listing, including our directors, executive officers, and 5 % stockholders. This ownership will limit or preclude your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction. Our Class B common stock has twenty votes per share and our Class A common stock has one vote per share. As of December 31, ~~2022~~ **2023** , the holders of our outstanding Class B common stock beneficially owned approximately ~~28~~ **22** . 9 % of our outstanding common stock as a class and held approximately ~~89~~ **85** . ~~0~~ **6** % of the voting power of our outstanding common stock as a class. Because of the twenty- to- one voting ratio between our Class B and Class A common stock, the holders of our Class B common stock collectively control a substantial majority of the combined voting power of our common stock and therefore are able to control all matters submitted to our stockholders for approval until the earliest of (1) the first business day falling on or after 180 days after the date on which Ian Siegel beneficially owns less than 4, 000, 000 shares of Class B common stock, (2) the date which is (a) 90 days after the date of death or disability of Mr. Siegel or (b) such later date, not to exceed a total period of 180 days after the date of death or disability of Mr. Siegel, as may be approved prior to the date that is 90 days after the date of death or disability of Mr. Siegel by a majority of our independent directors then in office, and (3) the first business day falling on or after the date on which Mr. Siegel elects to convert all then- outstanding shares of Class B common stock into shares of Class A common stock. This concentrated control limits or precludes your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction requiring stockholder approval. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders. Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as certain permitted transfers, including certain transfers to family members, trusts solely for the benefit of the stockholder or their family members, affiliates under common control with the stockholder, and partnerships, corporations, and other entities exclusively owned by the stockholder or their family members, in each case as fully described in our amended and restated certificate of incorporation. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. The dual class structure of our common stock may adversely affect the trading market for our Class A common stock. ~~Certain stock index providers, such as S & P Dow Jones, exclude companies with multiple classes of shares of common stock from being added to certain stock indices, including the S & P 500. In addition, several~~ **Several** stockholder advisory firms and large institutional investors oppose the use of multiple class structures. As a result, the dual class structure of our common stock may ~~prevent the inclusion of our Class A common stock in such indices, may~~ cause stockholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure ~~,~~ and may result in large institutional investors not purchasing shares of our Class A common stock. Any ~~exclusion from stock indices could result in a less active trading market for our Class A common stock. Any~~ actions or publications by stockholder advisory firms or institutional investors critical of our corporate governance practices or capital structure could also adversely affect the value of our Class A common stock. As of December 31, ~~2022~~ **2023** , the board of directors has authorized us to repurchase up to $ ~~450~~ **550** . 0 million of our common stock through open market or privately negotiated transactions, block purchases, or pursuant to one or more Rule 10b5- 1 plans, in compliance with applicable securities laws and other legal requirements. The timing and actual number of shares repurchased will depend on a variety of factors including price, market conditions, corporate and regulatory requirements, and other investment opportunities. Approximately $ ~~110~~ **63** . ~~7~~ **4** million remains available for future repurchases under our $ ~~450~~ **550** . 0 million share repurchase program as of December 31, ~~2022~~ **2023** . Repurchases pursuant to our share repurchase program could affect the price of our Class A common stock and increase its volatility. The existence of our share repurchase program could also cause the price of our Class A common stock to be higher than it would be in the absence of such a program and could reduce the market liquidity for our Class A common stock. Additionally, repurchases under our share repurchase program will diminish our cash reserves, which could impact our ability to further develop our business and service our indebtedness. There can be no assurance that any repurchases will enhance stockholder value because the market price of our Class A common stock may decline below the levels at which we repurchased such shares. Any failure to repurchase shares after we have announced our intention to do so may negatively impact our reputation and investor confidence in us and may negatively impact our Class A common stock price. Although our share repurchase program is intended to enhance long- term stockholder value, short- term price fluctuations could reduce the program' s effectiveness. If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business or our future prospects, the price of our Class A common stock and trading volume could decline. The trading market for our Class A common stock depends in part on the research and reports that securities or industry analysts publish about us or our business, our market, and our competitors. We do not have control over these securities analysts. If one or more of the analysts who cover us downgrade our Class A common stock or publish inaccurate or unfavorable research about our business, our Class A common stock price would likely decline. If one or more of these analysts cease coverage of us or cannot publish reports on us regularly, demand for our Class A common stock could decrease, which might cause our Class A common stock price and trading volume to decline. We do not intend to pay dividends for the foreseeable future. We have never declared or paid any cash dividends on our common stock and do not intend to pay any cash dividends in the foreseeable future. Additionally, our ability to pay dividends on our common stock is limited by the restrictions under the terms of our credit agreement. We anticipate that for the foreseeable future we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. Provisions in our charter documents and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may limit attempts by our stockholders to replace or remove our current management. Provisions in our amended and restated certificate of incorporation and **amended and** restated bylaws may have the effect of delaying or preventing a merger, acquisition, or other change of control of our company that the stockholders may consider favorable. In addition, because our board of directors is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Among other things, our amended and restated certificate of incorporation **and amended** and restated bylaws include provisions that: • provide that our board of directors will be classified into three classes of directors with staggered three- year terms; • permit the board of directors to establish the number of directors and fill any vacancies and newly created directorships; • require super- majority voting to amend some provisions in our amended and restated certificate of incorporation **and amended** and restated bylaws, including provisions relating to the classified board, the size of the board, removal of directors, special meetings, actions by written consent, and designation of our preferred stock; • authorize the issuance of " blank check " preferred stock that our board of directors could use to implement a stockholder rights plan; • provide that only the chairman of our board of directors, our chief executive officer, our lead independent director, or a majority of our board of directors will be authorized to call a special meeting of stockholders; • eliminate the ability of our stockholders to call special meetings of stockholders; • prohibit cumulative voting; • provide that directors may only be removed " for cause " and only with the approval of two- thirds of our stockholders; • provide for a dual class common stock structure in which holders of our Class B common stock may have the ability to control the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the outstanding shares of our common stock, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets; • prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders; • provide that the board of directors is expressly authorized to make, alter, or repeal our bylaws; and • establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings. Moreover, Section 203 of the Delaware General Corporate Law, or DGCL, may discourage, delay, or prevent a change in control of our company. Section 203 imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15 % or more of our common stock. See the section titled " Description of Class A Common Stock " in Exhibit 4. 6 to this Annual Report on Form 10- K for additional information. In addition, under the indenture governing the senior unsecured notes, if certain " change of control " events occur, each holder of the notes may require us to repurchase all of such holder' s notes at a purchase price equal to 101 % of the principal amount of such notes. Additionally, our credit facility provides for an event of default upon the occurrence of certain specified " change of control " events. Our amended and restated certificate of incorporation and our **amended and** restated bylaws contain exclusive forum provisions for certain claims, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our amended and restated certificate of incorporation, to the fullest extent permitted by law, provides that the Court of Chancery of the State of Delaware will be the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the DGCL, our amended and restated certificate of incorporation, or our **amended and** restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. Moreover, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder and our **amended and** restated bylaws provide that the U. S. federal district courts will, to the fullest extent permitted by law, be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, or a Federal Forum Provision. Our decision to adopt a Federal Forum Provision followed a decision by the Supreme Court of the State of Delaware holding that such provisions are facially valid under Delaware law. While there can be no assurance that federal or state courts will follow the holding of the Delaware Supreme Court or determine that the Federal Forum Provision should be enforced in a particular case, application of the Federal Forum Provision means that suits brought by our stockholders to enforce any duty or liability created by the Securities Act must be brought in federal court and cannot be brought in state court. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all claims brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder and neither the exclusive forum provision nor the Federal Forum Provision applies to suits brought to enforce any duty or liability created by the Exchange Act. Accordingly, actions by our stockholders to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder must be brought in federal court. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder. Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities will be deemed to have notice of and consented to our exclusive forum provisions, including the Federal Forum Provision. These provisions may limit our stockholders' ability to bring a claim in a judicial forum they find favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation or **amended and** restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results, and financial condition.