

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2022

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 001-39828



ARKO Corp.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

85-2784337
(I.R.S. Employer
Identification No.)

8565 Magellan Parkway
Suite 400
Richmond, Virginia 23227-1150

(Address of Principal Executive Offices) (Zip Code)

(804) 730-1568

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, \$0.0001 par value per share	ARKO	Nasdaq Capital Market
Warrants to purchase common stock	ARKOW	Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2022, the last business day of the registrant's most recently completed second quarter, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$681.1 million based on the closing price as reported on the Nasdaq Capital Market on that date. For purposes of determining this number, all named executive officers and directors of the registrant as of June 30, 2022 were considered affiliates of the registrant. This number is provided only for the purposes of this Annual Report on Form 10-K, and does not represent an admission by either the registrant or any such person as to the affiliate status of such person.

As of February 24, 2023, the registrant had 120,168,125 shares of its common stock, par value \$0.0001 per share ("common stock") outstanding.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement for its 2023 Annual Meeting of Stockholders are incorporated by reference in Part III of this Annual Report on Form 10-K. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2022.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains “forward-looking statements,” as that term is defined under the Private Securities Litigation Reform Act of 1995 (“PSLRA”), Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements include statements about our expectations, beliefs or intentions regarding our product development efforts, business, financial condition, results of operations, strategies or prospects, including the potential impact of the COVID-19 pandemic on our businesses, operating results, cash flows and/or financial condition. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described in “Item 1A-Risk Factors” of this Annual Report on Form 10-K. We do not undertake an obligation to update forward-looking statements, except to the extent required by applicable law. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA. These forward-looking statements are only predictions and reflect our views as of the date they are made with respect to future events and financial performance.

Risks and uncertainties, the occurrence of which could adversely affect our business, include the following:

- changes in economic conditions and consumer confidence in the United States;
 - our ability to make acquisitions on economically acceptable terms;
 - our ability to successfully integrate acquired operations or otherwise realize the expected benefits from our acquisitions;
 - our ability to successfully implement our organic growth strategies;
 - labor, raw materials and building supply shortages and price fluctuations in the construction industry could delay or increase the costs of our store upgrade and remodel program and our maintenance capital expenditures;
 - changes in the wholesale prices of motor fuel;
 - significant changes in the current consumption of and related regulations and litigation related to cigarettes and other tobacco products;
 - significant changes in demand for fuel-based modes of transportation;
 - the highly competitive industry characterized by low entry barriers in which we operate;
 - negative events or developments associated with branded motor fuel suppliers;
 - we depend on several principal suppliers for our fuel purchases and two principal suppliers for merchandise;
 - a portion of our revenue is generated under fuel supply agreements with independent dealers that must be renegotiated or replaced periodically;
 - the retail sale, distribution, transportation and storage of motor fuels is subject to environmental protection and operational safety laws and regulations that may expose us or our customers to significant costs and liabilities;
 - business disruption and related risks resulting from the outbreak of COVID-19 and variants of the virus;
 - failure to comply with applicable laws and regulations;
 - the loss of key senior management personnel or the failure to recruit or retain qualified personnel;
 - unfavorable weather conditions;
 - we may be held liable for fraudulent credit card transactions on our fuel dispensers;
 - payment-related risks that may result in higher operating costs or the inability to process payments;
 - significant disruptions of information technology systems, breaches of data security or compromised data;
 - evolving laws, regulations, standards, and contractual obligations related to data privacy and security regulations, and our actual or perceived failure to comply with such obligations;
 - our failure to adequately secure, maintain, and enforce our intellectual property rights;
 - third-party claims of infringement upon their intellectual property rights;
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- our dependence on third-party transportation providers for the transportation of most of our motor fuel;
 - our operations present risks which may not be fully covered by insurance;
 - our variable rate debt;
 - the agreements governing our indebtedness contain various restrictions and financial covenants;
 - our principal stockholders and management control us, and their interests may conflict with yours;
 - our corporate structure includes Israeli subsidiaries that may have adverse tax consequences and expose us to additional tax liabilities;
 - we may not be able to maintain an effective system of internal control over financial reporting and we may not be able to accurately report our financial results or prevent fraud;
 - the market price and trading volume of our common stock may be volatile and could decline significantly;
 - if securities or industry analysts do not publish research, publish inaccurate or unfavorable research or cease publishing research about us or the convenience store industry; and
 - sales of a substantial number of shares of our common stock in the public market could cause the prices of our common stock to decline.
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PART I

Unless the context otherwise requires, all references in this Annual Report on Form 10-K to the “Company,” “ARKO,” “we,” “our,” “ours,” and “us” refer to ARKO Corp., a Delaware corporation, including our consolidated subsidiaries.

ITEM 1. BUSINESS

Overview

Based in Richmond, VA, ARKO Corp. is a leading independent convenience store operator and, as of December 31, 2022, we were the sixth largest convenience store chain in the United States (“U.S.”) ranked by store count, operating 1,404 retail convenience stores. As of December 31, 2022, we operated our stores under more than 20 regional store brands that have been in existence for an average of approximately 50 years, which we consider “a Family of Community Brands.” We leverage their long-term community involvement, highly recognizable brands and customer loyalty in their respective markets. While maintaining established diversified store brands, our stores derive significant value from the scale, corporate infrastructure and centralized marketing programs associated with our large network, including a common loyalty program network which is used as a platform for promotions and marketing initiatives throughout our convenience stores. Our high value fas REWARDS® loyalty program with approximately 1.3 million members is available in the majority of our stores and offers exclusive savings on merchandise and gas to our customers.

We are also a leading wholesale distributor of motor fuel, and as of December 31, 2022, we supplied fuel to 1,674 independent dealer locations.

On July 22, 2022, we added fleet fueling to our business, which includes the operation of proprietary and third-party cardlock locations (unstaffed fueling locations), and issuance of proprietary fuel cards that provide customers access to a nationwide network of fueling sites. As of December 31, 2022, we operated 183 cardlock locations.

We are well diversified geographically and, as of December 31, 2022, operated across 34 states and the District of Columbia in the Mid-Atlantic, Midwestern, Northeastern, Southeastern and Southwestern United States.

We have achieved strong store growth over the last several years, primarily by implementing a highly successful acquisition strategy. From 2013 through 2022, we completed 22 acquisitions and our location count has grown from 320 sites in 2011 to 3,261 sites as of December 31, 2022. We believe that our acquired locations combined with our scalable infrastructure represent a strong platform for future growth within the highly fragmented convenience store industry through both strategic acquisitions and organic growth. With approximately 70% of the convenience store market composed of chains with 50 or fewer locations as of December 2021, we believe that there is ample opportunity to continue to consolidate. We have traditionally acquired a majority of our stores in smaller towns with less concentration of national-chain convenience stores. Approximately 40% of all our retail stores are in cities with populations of fewer than 20,000 people. Additionally, approximately 20% of all our retail stores are in cities with populations between 20,000 and 50,000 people. We believe that our focus on secondary and tertiary markets allows us to preserve “local” brand name recognition and align local market needs with capital investment.

Corporate Information

ARKO Corp. was incorporated under the laws of Delaware on August 26, 2020 for the purpose of facilitating the business combination of Haymaker Acquisition Corp. II, a Delaware corporation, and ARKO Holdings Ltd., a company organized under the laws of the State of Israel, which we refer to as Arko Holdings. Our shares of common stock, \$0.0001 par value per share (“common stock”), and publicly-traded warrants are listed on the Nasdaq Stock Market under the symbols “ARKO” and “ARKOW,” respectively. We own, indirectly, 100% of GPM Investments, LLC, a Delaware limited liability company that was formed on June 12, 2002, which we refer to as GPM, and which is our operating entity.

Our Business Segments

Retail Segment

Our primary business is the operation of convenience stores. As such, we derive a significant portion of our revenue from the retail sale of fuel and the products offered in our stores, resulting in our retail stores generating a large proportion of our profitability. Our retail convenience stores offer a wide array of cold and hot foodservice, beverages, cigarettes and other tobacco products, candy, salty snacks, grocery, beer and general merchandise. Almost all stores sell fuel, and we are adding electric vehicle (“EV”) chargers to select sites. Additionally, our stores offer a number of traditional convenience store services that generate additional income, including lottery, prepaid products, gift cards, money orders, ATMs, gaming, and other ancillary product and service offerings. We also generate revenues from car washes at approximately 80 of our locations.

We operate our stores under more than 20 regional store brands (which we consider “a Family of Community Brands”), including 1-Stop, Admiral, Apple Market®, BreadBox, ExpressStop®, E-Z Mart®, fas mart®, fastmarket®, Handy Mart, Jetz, Jiffi Stop®, Jiffy Stop, Li'l Cricket, Next Door Store®, Pride, Roadrunner Markets, Rstore, Scotchman®, shore stop®, Town Star, Village Pantry® and Young's.

Our acquired brands have been in existence for an average of approximately 50 years. The advantages and significant benefits of our regional store branding while being part of a leading convenience store operator include:

- Each brand, with its own long-term community involvement, is highly recognizable to local customers;
- Centralized merchandising, marketing and procurement programs;
- Fuel price optimization and purchasing functions;
- Comprehensive portfolio of fuel brands with strong consumer recognition through national advertising;
- Common loyalty program under the name fas REWARDS®;
- Centralized environmental management and environmental practices; and
- Common IT and point-of-sale platforms.

We have foodservice offerings at approximately 1,150 company-operated stores. The foodservice category varies by store and includes hot and fresh grab-n-go foods, deli, fried chicken, bakery, pizza, roller grill items and other prepared foods. In addition, at our stores we operate over 120 branded quick service restaurants consisting of major national brands. We have 18 new Sbarro, the Original New York Pizza, locations and are currently working on additional new food offerings of this kind.

For the year ended December 31, 2022, the retail segment generated total revenues of approximately \$5.6 billion, including approximately \$1.7 billion of in-store sales and other revenues. In addition, the retail segment sold a total of more than 1.0 billion gallons of branded and unbranded fuel to its retail customers.

Wholesale Segment

The wholesale segment supplies fuel to independent dealers, sub-wholesalers and bulk and spot purchasers, on either a cost plus or consignment basis, as described below.

- Consignment contracts** — 244 sites as of December 31, 2022. In arrangements of this type, we own the fuel until the date of sale to the final customer (the consumer) and the gross profit created from the sale of the fuel is allocated between us and the independent dealer based on the terms of the relevant agreement with the independent dealer. In certain cases, gross profit is split based on a percentage and in others, we pay a fixed fee per gallon to the independent dealer.
- Fuel supply contracts (“Cost Plus”)** — 1,430 sites as of December 31, 2022 plus bulk and spot purchasers. In arrangements of this type, the independent dealer purchases the fuel from us. We make final sales to independent dealers (referred to as “lessee-dealers” if the dealers lease the station from us or “open-dealers” if they control the site), sub-wholesalers and bulk and spot purchasers on a fixed-fee basis. The sales price to the independent dealer is determined according to the terms of the relevant agreement with the independent dealer, which typically reflects our total fuel costs plus the cost of transportation and a margin, with us generally retaining any prompt pay discounts and rebates, largely eliminating our exposure to commodity price movements.

For the year ended December 31, 2022, the wholesale segment sold 902.6 million gallons of fuel, generating revenues of approximately \$3.3 billion.

Fleet Fueling Segment

The fleet fueling segment was added to the Company's business on July 22, 2022 upon the closing of our acquisition from Quarles Petroleum, Incorporated (“Quarles”) of 121 proprietary Quarles-branded cardlock sites and 63 third-party cardlock sites for fleet fueling. The fleet fueling segment also includes commissions earned from the sale of fuel using proprietary fuel cards that provide customers access to a nationwide network of fueling sites. The fleet fueling business is a complementary business to our retail and wholesale segments, from which we believe we can grow and expand the Company's fleet fueling platform. On December 6, 2022, we announced our agreement to acquire one of the largest fleet fueling operations in West Texas, which includes 57 proprietary fleet fueling cardlock sites and 52 private cardlock sites.

As of December 31, 2022, we operated 183 cardlock locations and for the year ended December 31, 2022, the fleet fueling segment (which commenced its business on July 22, 2022) sold 60.0 million gallons of fuel, generating revenues of approximately \$272.8 million in its approximately five months of operation.

GPMP Segment

The GPMP segment engages in the wholesale distribution of fuel. Our subsidiary, GPM Petroleum LP, which we refer to as GPMP, sells and supplies fuel to substantially all of our retail and wholesale sites on a fixed margin per gallon basis and charges a fixed fee to the fleet fueling sites. For the year ended December 31, 2022, 99.9% of the total fuel gallons distributed by GPMP were to GPM sites. GPM purchases substantially all of its fuel from GPMP and we own 100% of the general partner of GPMP and, as of December 31, 2022, 99.8% of the GPMP limited partner units.

Growth Strategy

We believe that we have a significant opportunity to increase our sales and profitability by continuing to execute our operating strategy, growing our store base in existing and contiguous markets through acquisitions, and enhancing the performance of current stores. With our achievement of significant size and scale, we believe that our organic growth strategy, including implementing company-wide marketing and merchandising initiatives, will add significant value to our assets. We believe that this complementary strategy will help further enhance our growth and results of operations. We expect to use a portion of the cash available to us to fund our growth strategy. Specific elements of our growth strategy include the following:

Pursue Acquisitions in Existing and Contiguous Markets. We have a pipeline of potential targets which we believe is highly actionable, and we currently focus on existing and contiguous markets where demographics and overall market characteristics are similar to our existing markets. We have a dedicated in-house M&A team that focuses on identifying, closing and integrating acquisitions. As an experienced acquirer, we have demonstrated the ability to generate strong returns on capital and meaningfully improve target performance post-integration through operating expertise and economies of scale. We believe that our unique business model provides us with strategic flexibility to acquire chains with retail, independent dealer and cardlock locations. We believe that continued scale advantage has enabled us to become a formidable industry player, enhanced our competitiveness, and positioned us as an acquirer of choice within the industry. As a “super-jobber” wholesaler, we believe we are better positioned to gain and renew supply contracts from independent dealers in addition to retail convenience store and wholesale fuel portfolios, and we incentivize our wholesale sales staff based on renewals. Additionally, we believe we can grow and expand the Company’s fleet fueling platform through further acquisitions, including in conjunction with our retail and wholesale acquisitions.

Additionally, in order to improve the performance of acquired stores, as part of the post-integration process, once our systems are integrated, we implement our store planograms and merchandise assortment in the newly acquired stores and expand category footages where necessary.

Enhanced Marketing Initiatives. We plan to continue to pursue numerous in-store sales growth and margin enhancement opportunities that exist across our expansive footprint. The initiatives we are currently implementing include, among others:

- enhanced customer relationship-focused fas REWARDS® loyalty program to develop and strengthen relationships with our customers to drive more trips inside stores, including the introduction of an enhanced mobile app that has many exciting new high value features for the benefit of our approximately 1.3 million currently enrolled members and new loyalty customers;
- expansion of core destination merchandise categories, such as candy, salty snacks and packaged beverages, using customer centric data-driven decisions;
- continued roll-out of functional remodels for in-store upgrades, such as bean-to-cup coffee offerings, enhanced dispensed beverage offerings and our successful grab-n-go and freezer strategy; and
- continued expansion of the use of third-party delivery services, such as DoorDash and GrubHub, currently offered at more than 1,000 stores.

Foodservice Opportunity. Our current foodservice offering, which varies by store, primarily consists of hot and fresh grab-n-go foods, deli, fried chicken, bakery, pizza, roller grill items and other prepared foods. We have historically relied upon a limited number of franchised quick service restaurants and in-store delis to drive customer traffic. As a result, we believe that our under-penetration of foodservice presents an opportunity to expand foodservice offerings and margin in response to changing consumer behavior. As we continue to expand our foodservice offerings and implement a variety of food options, we believe that we are making great progress identifying food concepts with a value proposition that resonates with our customers and which we can execute across our stores. In addition, we believe that continued investment in new technology platforms and applications to adapt to evolving

consumer eating preferences, including contactless checkout, order ahead service, and delivery will further drive growth in profitability. We know that we have the opportunity to significantly increase margins as we seek to continue to expand this important category to meet our customers' needs. We believe that in our markets, we can create a value proposition to position our stores as a food destination.

Organic Growth Opportunities. We believe that we have an expansive, embedded opportunity to enhance our existing store base through several organic growth initiatives, including full and functional remodels, raze-and-rebuild and new-to-industry ("NTI") opportunities. In 2022, we fully remodeled six stores and we commenced the planning and engineering phase of an NTI store in Atlanta, Texas with expected construction completion in 2024. We constantly monitor macroeconomic factors such as rising materials costs, shortages, construction industry price fluctuations and labor shortages and we closely analyze key performance indicators to determine our strategy.

EV Opportunity. As part of our overall EV strategy, we pursue grants and subsidies across our footprint to expand our EV charging capacity. On December 6, 2022, we completed our acquisition of all the issued and outstanding membership interests of Pride Convenience Holdings, LLC (the "Pride Acquisition"), which increased our total EV charging network by 18 chargers installed across five stores in Massachusetts, for a total of 21 charging stations installed at seven stores across three states. Prior to our acquisition, Pride was awarded a number of grants to expand their EV charging capacity in Massachusetts, which has aggressive EV targets. We plan to put these grants to use to expand EV charger availability in these markets.

We have six other active EV projects in various phases of development. We have several potential grants that we are pursuing. Our goal is to offer EV drivers the convenience and amenities they seek in a charging destination away from their homes, at areas where we identify the demand.

Suppliers

We purchase merchandise inventory from two primary wholesale distributors, Core-Mark and Grocery Supply Company, as well as approximately 700 direct store delivery supplier distributors. We leverage our relationships to generate economies of scale across our store base.

We purchase motor fuel primarily from large, integrated oil companies and independent refiners under supply agreements. In addition, we purchase unbranded fuel from branded and unbranded fuel suppliers to supply 266 unbranded retail fueling locations and 183 cardlock locations. As of December 31, 2022, approximately 80% of our retail fuel locations sold branded fuel. We sell branded fuel under the Valero®, Marathon®, BP®, Exxon® and Shell® brand names, plus several other brands. In addition to driving customer traffic, we believe that our branded fuel strategy enables us to maintain a secure fuel supply.

Competition

We operate in a highly competitive retail convenience market, which includes businesses with operations and services that are similar to those that we provide, primarily the sale of convenience items and motor fuels. We face significant competition from other large chain operators, such as: 7-Eleven/Speedway; Circle K; Casey's; Murphy USA; Quik Trip; Royal Farms; Sheetz; and Wawa. We believe that convenience stores managed by individual operators that offer branded or non-branded fuel are also significant competitors in the market. Often, operators of both chains and individual stores compete by selling unbranded fuel at lower retail prices relative to the market. We believe that the primary competitive factors influencing the retail segment are: site location; competitive prices; convenient access routes; the quality and configuration of the store and the fueling facility; the range of high-quality products and services offered; a convenient store-front; cleanliness; branded fuel; and the degree of capital investment in the store.

The convenience store industry is also experiencing competition from other retail sectors, including grocery stores, large warehouse retail stores, dollar stores and pharmacies. In particular, dollar stores (such as Family Dollar and Dollar General) and pharmacies (such as CVS and Walgreens) have expanded their product offerings to sell snacks, beer and wine and other products that have traditionally been sold by convenience stores, while grocery and large warehouse stores (such as Costco and Wal-Mart) have expanded their fuel offering adjacent to their stores. In smaller towns and more rural areas, we primarily compete with other local convenience stores, local or regional grocery stores, and to some extent, restaurants, and in more heavily populated areas, we often compete with local retailers as well as major national grocery chains, national drug store and warehouse retail stores brands like those mentioned above, traditional convenience stores, expanded fuel stations, and discount food retailers.

The wholesale business is also competitive. Our wholesale segment competes with refiners that distribute their own products, as well as other independent third-party motor fuel distributors. Wholesale fuel distributors typically compete by offering shorter

contract commitments, lesser collateral requirements and larger incentives to enter into contracts. We distribute fuel sourced from a number of major oil company suppliers which allows us to approach a wide variety of branded and unbranded independent dealers in order offer a variety of alternative supply arrangements.

In the wholesale segment, we supply fuel to third parties both at sites owned or leased by the third party, sites that we own or have a long-term lease, as well as bulk and spot purchasers. In order to mitigate this competition, we typically offer the independent dealers competitive pricing within the framework of our existing fuel supply agreements, such as those we have with Valero, BP, Shell, Motiva, Marathon and ExxonMobil.

In the fleet fueling segment, we operate both third-party and proprietary cardlock sites, and market both universal and proprietary fleet cards. We market and sell to commercial and municipal entities. As opposed to retail volumes, commercial volumes have been less impacted by changing driver behavior and approximately 85% of sales are related to diesel vehicles. The primary competitors for third-party sites are companies that provide delivered fuels, with national, regional and local companies offering this service. Cardlocks compete against retail gas stations, especially those with a significant number of diesel pumps, however, we believe that our cardlock footprint allows for easier access and more efficient fueling for commercial vehicles. Third-party site growth in the fleet fueling segment is driven by commercial customers outsourcing the provision of on-site fleet fueling. We believe that we are well positioned because our third-party sites combine on-site cardlock fueling with the ability to utilize our proprietary cardlock sites and fleet card product sales.

We accept the majority of fleet cards and retail card types at our cardlock sites, in addition to the Quarles fleet card offerings. Commercial companies using the Quarles fleet cards have gradually shifted from the proprietary fleet card useable only at Quarles-branded locations to the “Universal” fleet card which is a cobranded with Voyager (U.S. Bank) and which can be used at multiple fleet fueling sites. This is a long-term industry trend and we expect this to continue in the upcoming year. The fleet fueling business is changing with technology with a move to cardless payments and the entry of fintechs (financial technology companies) into the space. As these trends develop, we will need to align our fleet card offering to the new technologies and ensure that our cardlocks are able to accept these payment types.

We believe that the primary barriers into entry in our industry are the significant financial strength required to enter into agreements with suppliers of fuel products and competition from other fuel companies and retail chains.

Environmental and Other Government Regulations

Our operations are subject to numerous legal and regulatory restrictions and requirements at the federal, state and local levels. With regard to fuel, these restrictions and requirements relate primarily to the transportation, storage, and sale of petroleum products, including stringent environmental protection requirements. In our wholesale and GPMP segments, we are also subject to the Petroleum Marketing Practices Act, which is a federal law that applies to the relationships between fuel suppliers and wholesale distributors, as well as between wholesale distributors and independent dealers, regarding the marketing of branded fuel. The law is intended to prevent the arbitrary or discriminatory cancellation, or non-renewal, of dealership agreements and stipulates limitations on the cancellation, or non-renewal, of agreements for distribution of branded fuel, unless certain conditions are satisfied.

With regard to non-fuel products, there are legal restrictions at the federal, state and local levels in connection with the sale of food, alcohol, cigarettes and other tobacco products, menu labeling, video retention, money orders, money transfer services, gaming, lottery, and ephedrine. Also, regulatory supervision is exercised by health departments at the federal, state and local levels over the food products that are sold in our stores. With respect to data held by us, including credit card information and data related to loyalty customers, we are subject to federal, state and local requirements related to the possession, use and disclosure of personally identifiable information, including mandated procedures to be followed in the event a data breach were to occur.

We hold various federal, state, and local licenses and permits, some of which are perpetual, but most of which must be renewed annually. These include general business licenses, lottery licenses, licenses and permits in connection with the sale of cigarettes, licenses in connection with the operation of gaming machines, licenses in connection with the sale of alcoholic drinks, licenses and permits that are required in connection with the sale of fuel, licenses that are required for the operation of convenience stores and licenses to sell food products.

EMV, which stands for Europay, MasterCard and Visa, is a global standard for credit cards that use computer chips to authenticate and secure chip-card transactions. The liability for fraudulent credit card transactions shifted from the credit card processor to us in October 2015 for transactions processed inside the convenience stores and shifted to us in April 2021 for transactions at the fuel dispensers.

Our operations are subject to federal and state laws governing such matters as minimum wage, overtime, working conditions and employment eligibility requirements. Proposals have emerged at local, state and federal levels to increase minimum wage rates.

We are subject to local, state and federal laws and regulations that address our properties and operations, including, without limitation the transportation, storage and sale of fuel, which have a considerable impact on our operations, including compliance with the requirements and regulations of the U.S. Environmental Protection Agency (“EPA”) and comparable state counterparts. We are required to comply with the following regulations, among others:

- The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 and comparable state and local laws, which imposes strict, and under certain circumstances, joint and several, liability, without regard to fault, on the owner and operator as well as former owners and operators of properties where a hazardous substance has been released into the environment, including liabilities for the costs of investigation, removal or remediation of contamination and any related damages to natural resources.
- The Resource Conservation and Recovery Act (“RCRA”) gives EPA the authority to control hazardous waste from the “cradle-to-grave”. This includes the generation, transportation, treatment, storage, and disposal of hazardous waste. RCRA also address environmental problems that could result from underground tanks storing fuel and other hazardous substances.
- The Clean Air Act (“CAA”) and comparable state and local laws which imposes requirements on emissions to the air from motor fueling activities in certain areas of the country, including those that do not meet state or national ambient air quality standards. These laws may require the installation of vapor recovery systems to control emissions of volatile organic compounds to the air during the motor fueling process. Under the CAA and comparable state and local laws, permits are typically required to emit regulated air pollutants into the atmosphere.
- The federal Occupational Safety and Health Act (“OSHA”) provides protection for the health and safety of workers. In addition, OSHA’s hazard communication standards require that information be maintained about hazardous materials used or produced in operations and that this information be provided to employees, state and local government authorities and citizens.

The EPA, and several states, have established regulations concerning the ownership and operation of underground fuel storage tanks (“USTs”), the release of hazardous substances into the air, water and land, the storage, handling disposal and transportation of hazardous materials, restrictions on exposure to hazardous substances and maintaining safety and health of employees who handle or are exposed to such substances. These regulations require UST owners to demonstrate that they have the financial capacity to pay for environmental cleanup associating with USTs. Several states in which we conduct business have state-sponsored trust fund programs that allow for the sharing and reimbursement of the costs of corrective measures incurred by UST owners. In addition, we are subject to regulations regarding fuel quality and air emissions.

We are committed to compliance with all applicable environmental laws and regulations. We allocate a portion of our capital expenditure program to compliance with environmental laws and regulations and environmental remediation and such capital expenditures were approximately \$1.4 million for the year ended December 31, 2022, and we anticipate expenditures of approximately \$5.0 million for the year ending December 31, 2023. Our environmental department maintains direct interaction with federal, state and local environmental agencies for each state in which we operate. As part of our environmental risk management process, we engage environmental consultants and service providers to assist in analyzing our exposure to environmental risks by developing remediation plans, providing other environmental services, and taking corrective actions as necessary.

Human Capital

As of December 31, 2022, we employed 12,223 employees, with 10,934 employed in our stores and 1,289 in corporate and field management positions. As of December 31, 2022, none of our employees were represented by a labor union or have terms of employment that are subject to a collective bargaining agreement. We consider our relationships with our employees to be good and have not experienced any work stoppages.

We value our employees and believe that employee development and training are key elements of our effective performance. We feel that improving the skills of current staff through training increases productivity and boosts our bottom line at a fraction of the cost of hiring new employees. We offer training based on our employees’ specific job requirements and employee levels through the use of online training modules and on-the-job training conducted by store managers or our Regional Training team. Our Regional Training team conducts the Company and industry-specific training to ensure store management is well-versed in the latest operating policies, standards and techniques. Trainings vary based on employee level, but generally focus on customer service, safety, environmental issues and regulations, as well as our operations and policies. We have developed training centers for new employees at certain of our regional offices. Our experienced store managers and our corporate trainers conduct the training of store managers from

acquired sites in a classroom setting pre- and post-acquisition, as well as on-the-job training. We have also developed designated training programs for Store Manager Trainees, Assistant Managers and Food Service Managers. We have developed, and continue to refine, additional training programs for store and district managers, focusing on leadership and other “soft skills.” We help identify clear career paths to retain current employees and attract new employees by encouraging them to grow with the Company through educational training programs, matching employees with their interests or identifying a career trajectory other employees have taken.

The annual turnover rate of our store employees was approximately 213% in 2022. We seek to recruit and retain qualified personnel to work in our stores. The impact from the COVID-19 pandemic on employment trends and the prevailing wage rates in the markets in which we operate, including voluntary increases in wages because of current labor market conditions, have increased our costs associated with recruiting and retaining qualified personnel, and may continue to do so in the future.

We seek to promote employee retention by providing attractive employee benefits, raising wages where applicable and by granting sign-on, retention, referral and other bonus opportunities to our employees based on their respective roles. By researching and understanding hiring trends, we have adopted mobile technology to simplify the application process and we have invested in additional recruiting resources and implemented virtual recruiting and interviewing methods. We have also deployed enhanced recruiting techniques to optimize the selection of our talent pool.

Intellectual Property

We rely on trademarks that we own and trademarks we license from third parties to protect our brands and identify the source of our goods and services. We have registered or applied to register many of our trademarks with the United States Patent and Trademark Office.

We also rely on trademarks that we license from third parties to identify the goods and services that we provide to our customers. We license various marks in relation to the branded fuels that we supply, including “ExxonMobil,” “Marathon,” “BP,” “Shell,” and “Valero.” In our quick service food offerings, we license trademarks such as “Subway” and “Dunkin’” to use at our applicable franchised or licensed outlets. We also license the “Jetz” trademark for use at certain of our convenience stores in Wisconsin.

We rely on other forms of intellectual property to help establish and maintain our competitive advantage, including proprietary software, trade secrets and other proprietary and confidential information. We receive confidential information from our franchise and fuel supply partners, and use it in the operation of our stores under agreements that we have with our partners. We also rely on our own proprietary and confidential information, including trade secrets and a limited amount of proprietary software, to conduct our business and preserve our position in the market. As a key part of our broader risk management strategy, we use access controls and contractual restrictions in an effort to prevent unauthorized use or disclosure of our proprietary or confidential information.

Environmental, Social and Governance

As a leading operator of convenience stores and gas stations, we are focused on integrating Environmental, Social and Governance (“ESG”) principles that are aligned with our long-term business strategy. We issued our inaugural ESG report in 2022, which includes our baseline governance framework, environmental initiatives and social responsibility initiatives. Our current ESG report is available on our website at www.arkocorp.com. The information related to ESG on our website, including our ESG report, is not, and shall not be deemed to be, a part hereof or incorporated by reference into this or any of our other filings with the U.S. Securities and Exchange Commission (“SEC”).

Available Information

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. Information that we file with the SEC is available at the SEC’s website at www.sec.gov. We also make available free of charge on or through our website, at www.arkocorp.com, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with the SEC. The information on our website is not, and shall not be deemed to be, a part hereof or incorporated into this or any of our other filings with the SEC.

Use of our Website and Social Media to Distribute Material Company Information

We use our website as a channel of distribution for important Company information. We routinely post on our website important information, including press releases, investor presentations and financial information, which may be accessed by clicking

on the News & Events, Company Info, and Governance sections of www.arkocorp.com. We also use our website to expedite public access to time-critical information regarding our Company in advance of, or in lieu of, distributing a press release or a filing with the SEC disclosing the same information. Therefore, investors should look to the News & Events, Company Info, and Governance sections of our website for important and time-critical information. Visitors to our website can also register to receive automatic e-mail and other notifications alerting them when certain new information is made available on our website. Information contained on, or accessible through, our website is not a part of and is not incorporated by reference into this Annual Report on Form 10-K.

Additionally, we use Twitter to distribute Company information, and you can follow us on our Twitter feed (@ARKOInvestors). We encourage investors, the media and other interested parties to review the information we post on our website and on Twitter, together with the information we file with the SEC and announce via press releases, conference calls and webcasts.

ITEM 1A. RISK FACTORS.

You should carefully consider the risks described below, as well as other information contained in this report, including the consolidated financial statements and the notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The occurrence of any of the events discussed below could significantly and adversely affect our business, prospects, results of operations, financial condition, and cash flows.

Risks Related to Our Business and Industry

Changes in economic conditions and consumer confidence in the U.S. could materially adversely affect our business.

Our operations and the scope of services we provide are affected by changes in the macro-economic situation in the United States, which has a direct impact on consumer confidence and spending patterns. A number of key macro-economic factors, such as rising interest rates, inflation and unemployment, could have a negative effect on consumer habits and spending, and lead to lower demand for fuel and other products sold at our convenience stores and gas stations. The U.S. economy has continued to experience inflationary pressures, which reduce consumer purchasing power. If this trend continues or increases, it could negatively impact demand and seasonal travel patterns, which could reduce future sales volumes. Significant negative developments in the macro-economic environment in the United States could have a material adverse effect on our business, financial condition and results of operations.

If we do not make acquisitions on economically acceptable terms, our future growth may be limited. Furthermore, any acquisitions we complete are subject to substantial risks that could result in losses.

Our ability to grow depends substantially on our ability to make acquisitions. We intend to expand our retail business, independent dealer distribution network and fleet fueling network through acquisitions. However, we may be unable to take advantage of accretive opportunities for any of the following reasons:

- We are unable to identify attractive acquisition opportunities;
- We are outbid by competitors;
- We are unable to reach an agreement regarding the terms of pursued acquisitions;
- We are unable to raise financing for such acquisitions on economically acceptable terms; or
- We may be limited in our ability to acquire new sites due to antitrust regulations, and regulators may require that we effect divestitures as a condition to completing certain acquisitions. Any such required divestitures may be on economically unattractive terms, which could result in losses or otherwise reduce the overall economic value of certain acquisitions.

If we are unable to make acquisitions, our future growth will be limited. In addition, if we complete any future acquisitions, our capitalization and results of operations may change significantly. We may complete acquisitions, which, contrary to our expectations, ultimately prove to not be accretive. If any of these events were to occur, our future growth would be limited.

We may make acquisitions that we believe are beneficial, which ultimately result in negative financial consequences. Any acquisition involves potential risks, including, among other things:

- We may not be able to successfully integrate the businesses we acquire;
- We may not be able to achieve the anticipated synergies and financial improvements from the acquired businesses;
- We may not be able to retain key personnel from the acquired businesses;

- We may be unable to discover material liabilities of businesses that we acquire until after the completion of the relevant acquisition;
- We rely on data from the businesses that we acquire and there may be real or perceived inaccuracies in this data;
- Acquisitions may divert the attention of senior management from focusing on our day-to-day operations;
- We may experience a decrease in liquidity resulting from our use of a significant portion of cash available for investment or borrowing capacity to finance acquisitions;
- Substantial investments in financial controls, information systems, management resources and human resources may be required in order to support future growth;
- We may have difficulties in obtaining the required approvals, permits, licenses and consents for the acquired sites or new lines of business;
- We may have difficulties complying with regulatory requirements related to financial reporting; and
- We may incur additional environmental liabilities and risk when acquiring transportation assets.

We may be unable to successfully integrate acquired operations or otherwise realize the expected benefits from our acquisitions, which could adversely affect the expected benefits from our acquisitions and our results of operations and financial condition.

Any acquisition involves the integration of the business of two companies that have previously operated independently. The difficulties of combining the operations of the two businesses include:

- integrating personnel with diverse business backgrounds;
- familiarizing employees with new systems;
- converting customers to new loyalty platforms; and
- combining different corporate cultures.

The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of the business, and the loss of key personnel or customers. The diversion of management's attention and any delay or difficulty encountered in connection with the integration of the two companies' operations could have an adverse effect on our business and results of operations.

The success of our acquisitions will depend, in part, on our ability to realize the anticipated benefits from combining the acquired business with ours. If we are unable to successfully integrate an acquired business, the anticipated benefits of such acquisition may not be realized fully or may take longer to realize than expected which could have a material adverse effect on our business, financial condition and results of operations. For example, we may fail to realize the anticipated increase in earnings anticipated to be derived from an acquisition or the synergies expected, or there could be higher expenses related to the acquired business than expected. In addition, as with any acquisition, a significant decline in asset valuations or cash flows may also cause us not to realize expected benefits.

Our future growth depends on our ability to successfully implement our organic growth strategies, a part of which consists of upgrading and remodeling our convenience stores.

A part of our organic growth strategy consists of functional and full remodeling of our convenience stores in order to improve customers' shopping experience by offering high-quality, convenient and efficient facilities. Such upgrades and remodeling projects, regardless of scale, entail significant risks, including shortages of materials or skilled labor, unforeseen engineering, environmental and/or geological problems, work stoppages, weather interference, unanticipated cost increases and non-availability of construction equipment. Such risks, in addition to potential difficulties in obtaining any required licenses and permits, could lead to significant cost increases and substantial delays in the opening of the remodeled convenience stores. In certain instances, these factors have led to certain delays and increased costs for our projects and although we believe we are successfully navigating these challenges, there can be no assurance that we will be able to achieve our growth targets by successfully implementing this strategy.

Labor, raw materials and building supply shortages and price fluctuations in the construction industry could delay or increase the costs of store upgrades and remodels and our maintenance capital expenditures, which could adversely affect our operating results.

We rely on many raw materials and skilled labor for store upgrades and remodels and our routine maintenance capital expenditures. The construction industry has, from time to time, experienced labor and raw material shortages and has been adversely affected by volatility in global commodity prices. In particular, shortages and fluctuations in the prices for labor, concrete, steel, drywall, lumber or other important raw materials could result in the continuance of the delays in the start or completion of, or further increases to the cost of, our store upgrades and remodels or routine maintenance expenditures, which in turn could have a material adverse effect on our business, financial condition and results of operations.

Significant changes in current consumption of cigarettes and other tobacco products and related regulations and litigation could materially adversely affect our business.

Cigarettes and other tobacco products, which accounted for approximately 8% of our total revenues for the year ended December 31, 2022, are a significant revenue source for us. Significant increases in wholesale cigarette and other tobacco product prices, current and future tobacco legislation, including restrictions or bans on flavored tobacco products and related advertising, national, state and local campaigns to discourage smoking, a decrease in the consumption of cigarettes, lawsuits against manufacturers and retailers of cigarettes and other tobacco products, reductions in manufacturer rebates for the purchase of tobacco products and increases in, and new, taxes on cigarettes and other tobacco products could have a material adverse effect on the demand for tobacco products and, in turn, on our financial condition and results of operations. Specifically, in 2022 there were multiple price increases for cigarettes which may result in a loss of customers in the future. Additionally, there may be additional increases in cigarette prices in the future.

Our financial condition and results of operations are influenced by changes in the wholesale prices of motor fuel, which may materially adversely impact our sales, operations, customers' financial condition and the availability of trade credit.

During the year ended December 31, 2022, fuel sales were approximately 81% of our total revenues and approximately 48% of our combined fuel, merchandise and other income margin. Generally, our retail fuel inventory on hand turns quickly in the ordinary course of our business. Our operating results are influenced by prices for motor fuel, variable retail margins and the market for such products. Crude oil and domestic wholesale motor fuel markets are volatile. General political conditions, acts of war or terrorism and instability in oil producing regions, particularly in the Middle East, Russia, Africa and South America, such as the ongoing war between Russia and Ukraine, could significantly affect crude oil supplies and wholesale fuel prices. Significant increases and volatility in wholesale fuel prices could result in substantial increases in the retail price of motor fuel products, lower fuel gross margin per gallon, lower demand for such products and lower sales to consumers and independent dealers. This volatility makes it extremely difficult to predict the impact future wholesale cost fluctuations will have on our financial condition and results of operations. Increases in fuel prices generally compress retail fuel margin because fuel costs typically increase faster than retailers are able to pass them along to customers. In addition, when prices for motor fuel rise, some of our independent dealers may have insufficient credit to purchase motor fuel from us at their historical volumes. Furthermore, when motor fuel prices decrease, so do prompt payment incentives, which are generally calculated as a percentage of the total purchase price of the motor fuel distributed. Additionally, because the interchange fees we pay when credit cards are used to make purchases are based on transaction amounts, higher fuel prices at the pump result in higher credit card expenses. These additional fees increase operating expenses. Additionally, when diesel fuel prices rise, this results in higher truck shipping costs which causes shippers to consider alternative means for transporting freight, which may reduce trucking business and, in turn, may reduce our fuel sales volume. High diesel fuel prices may also cause our trucking customers to seek cost savings throughout their businesses, including measures which reduce total fuel consumption and may in turn reduce our fuel sales volume. Finally, higher prices for motor fuel may reduce our access to trade credit or worsen the terms under which such credit is available to us, which could have a material adverse effect on our financial condition and results of operations.

Beginning in the third quarter of 2022, we make use of derivative commodity instruments to manage risks associated with an immaterial amount of gallons designed to offset changes in the price of fuel that are directly tied to firm commitments to purchase diesel fuel. As such, the Company is subject to the risk that its fuel derivative instruments will no longer qualify for hedge accounting under applicable accounting standards, which can create additional earnings volatility. Adjustments in the Company's overall fuel hedging strategy, as well as the ability of the commodities used in fuel hedging to qualify for special hedge accounting, could affect the Company's results of operations. In addition, there can be no assurance that the Company will be able to cost-effectively hedge against changes in diesel fuel prices.

The Company's fuel hedging arrangements and the various potential impacts of hedge accounting on the Company's financial position, cash flows, and results of operations are discussed in more detail under "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Quantitative and Qualitative Disclosures About Market Risk," and in Note 2 and Note 21 to the consolidated financial statements contained in this Annual Report on Form 10-K.

Significant changes in demand for fuel-based modes of transportation and for trucking services could materially adversely affect our business.

The road transportation fuel and convenience business is generally driven by consumer preferences, growth of road traffic, demand for trucking services, and trends in travel and tourism. Automotive, industrial and power generation manufacturers are developing more fuel-efficient engines, hybrid engines, electric vehicles and alternative clean power systems. In 2022, all electric vehicles accounted for approximately 5.8% of all light vehicle sales in the United States. In addition, truck and other vehicle manufacturers and our customers continue to focus on ways to improve motor vehicle fuel efficiency and conserve fuel, including use of truck platooning, or the electronic linking of trucks with a lead vehicle, heat and kinetic energy recovery technologies, substantially lighter “super trucks” and higher efficiency motor fuels. Demand for trucking services in the United States generally reflects the amount of commercial activity in the U.S. economy. When the U.S. economy declines, demand for goods moved by trucks usually declines, and in turn demand for diesel fuel supplied by our fleet fueling segment typically declines, which could significantly harm our results of operations and financial condition.

A number of key factors could impact current customer behavior and trends with respect to road transportation and fuel consumption. These include new technologies providing increased access to non-fuel dependent means of transportation, legislation and regulations focused on fuel efficiency and lower fuel consumption, and the public’s general approach with regard to climate change and the effects of greenhouse gas emissions. Significant developments in any of the above-listed factors could lead to substantial changes in the demand for petroleum-based fuel and have a material adverse effect on our business, financial condition and results of operations.

We operate in a highly competitive, fragmented industry characterized by many similar competing products and services, and our inability to successfully compete could have a material adverse effect on our business.

We compete with other convenience stores, gas stations, large and small food retailers, quick service restaurants and dollar stores, as well as companies that provide delivered fuels. Because all such competitors offer products and services that are very similar to those offered by us, a number of key factors determine our ability to successfully compete in the marketplace. These include the location of stores, competitive pricing, convenient access routes, the quality, configuration and efficiency of stores and fueling facilities, and a high level of service. In particular, many large convenience store chains have expanded their number of locations and remodeled their existing locations in recent years, enhancing their competitive position. In addition, some of our competitors have greater financial resources and scale than us, which may provide them with competitive advantages in negotiating fuel and other supply arrangements.

Our inability to successfully compete in the marketplace by continuously meeting customer requirements concerning price, quality and service level could have a material adverse effect on our business, financial condition and results of operations.

Negative events or developments associated with branded motor fuel suppliers could have a material adverse impact on our revenues.

The success of our operations is dependent, in part, on the continuing favorable reputation, market value and name recognition associated with the motor fuel brands sold at our gas stations and cardlock locations and to independent dealers. An event which adversely affects the value of those brands could have a negative impact on the volumes of motor fuel we distribute, which in turn could have a material adverse effect on our business, financial condition and results of operations.

We depend on several principal suppliers for our gross fuel purchases and two principal suppliers for merchandise. A failure by a principal supplier to renew its supply agreement, a disruption in supply or an unexpected change in supplier relationships could have a material adverse effect on our business.

We depend on several principal suppliers for our gross fuel purchases. Our fuel supply agreements expire on various dates through June 2032. If any of our principal suppliers elects not to renew its contracts with us, we may be unable to replace the volume of motor fuel we currently purchase from such supplier on similar terms or at all. We rely upon our suppliers to timely provide the volumes and types of motor fuels for which they contract. We purchase motor fuels from a variety of suppliers under term contracts. In times of extreme market demand, supply disruption or as a result of futures market and geopolitical conditions, we may be unable to acquire enough fuel, including diesel fuel in particular, to satisfy the demand of our customers. Any disruption in supply or a significant change in our relationship with our principal fuel suppliers could have a material adverse effect on our business, financial condition and results of operations.

We depend on two major vendors to supply a majority of our in-store merchandise. Due to driver shortages and supply chain disruptions, manufacturers and our suppliers have been experiencing shortages and shipping delays of both fuel and merchandise. A significant disruption or operational failure affecting the operations of our suppliers, including their ability to provide timely deliveries, could materially impact the availability, quality and price of products sold at our convenience stores and cardlock locations, cause us to incur substantial unanticipated costs and expenses, and adversely affect our business, financial condition and results of operations.

A portion of our revenue is generated under fuel supply agreements with independent dealers that must be renegotiated or replaced periodically. If we are unable to successfully renegotiate or replace these agreements, then our results of operations and financial condition could be adversely affected.

A portion of our revenue is generated under fuel supply agreements with independent dealers. As these supply agreements expire, they must be renegotiated or replaced. Our fuel supply agreements generally have an initial term of 10 years and, as of December 31, 2022, had a volume-weighted average remaining term of approximately 5.3 years. Our independent dealers have no obligation to renew their fuel supply agreements with us on similar terms or at all. We may be unable to renegotiate or replace our fuel supply agreements when they expire, and the terms of any renegotiated fuel supply agreements may not be as favorable as the terms of the agreements they replace. Whether these fuel supply agreements are successfully renegotiated or replaced is frequently subject to factors beyond our control. Such factors include fluctuations in motor fuel prices, an independent dealer's ability to pay for or accept the contracted volumes and a competitive marketplace for the services offered by us. If we cannot successfully renegotiate or replace our fuel supply agreements, or must renegotiate or replace them on less favorable terms, revenues from these agreements could decline and our results of operations and financial condition could be adversely affected.

The retail sale, distribution, transportation and storage of motor fuels is subject to environmental protection and operational safety laws and regulations that may expose us or our customers to significant costs and liabilities, which could have a material adverse effect on our business.

We and our facilities and operations are subject to various federal, state and local environmental, health and safety laws, and regulations. These laws and regulations continue to evolve and are expected to increase in both number and complexity over time and govern not only the manner in which we conduct our operations, but also the products we sell. For example, international agreements and national, regional, and state legislation and regulatory measures that aim to limit or reduce greenhouse gas emissions or otherwise address climate change are currently in various stages of implementation. Additionally, in March 2022, the SEC proposed new climate-related disclosure rules, which if adopted as proposed, would require significant new climate-related disclosure in SEC filings, including certain climate-related metrics and greenhouse gas emissions data, and third-party attestation requirements. At this time, we cannot predict the costs of compliance with or any potential adverse impacts resulting from, these new rules if adopted as proposed, but compliance with such rules, when they are finalized, could require significant effort and divert management's attention and resources, which could adversely affect our operating results. There are inherent risks that increasingly restrictive environmental and other regulation could materially impact our results of operations or financial condition. Most of the costs of complying with existing laws and regulations pertaining to our operations and products are embedded in the normal costs of doing business. However, it is not possible to predict with certainty the amount of additional investments in new or existing technology or facilities, or the amounts of increased operating costs to be incurred in the future, to prevent, control, reduce or eliminate releases of hazardous materials or other pollutants into the environment; remediate and restore areas damaged by prior releases of hazardous materials; or comply with new or changed environmental laws or regulations. Although these costs may be significant to the results of operations, we do not presently

expect them to have a material adverse effect on our liquidity or financial position. Accidental leaks and spills requiring cleanup may occur in the ordinary course of business. We may incur expenses for corrective actions or environmental investigations at various owned and previously owned facilities, leased or previously leased facilities, at third-party sites we manage, and at third-party-owned waste disposal sites used by us. An obligation may arise when operations are closed or sold or at non-company sites where company products have been handled or disposed of. Expenditures to fulfill these obligations may relate to facilities and sites where past operations followed practices and procedures that were considered acceptable at the time but may require investigative or remedial work or both to meet current or future standards.

Most of our fuel is transported by third-party carriers to our retail, independent dealer and fleet fueling sites. A portion of fuel is transported in our own trucks, instead of by third-party carriers, therefore, our operations are also subject to hazards and risks inherent in transporting motor fuel. These hazards and risks include, but are not limited to, fires, explosions, traffic accidents, spills, discharges and other releases, and cross-drops, any of which could result in distribution difficulties and disruptions, environmental pollution, governmentally-imposed fines or clean-up obligations, personal injury or wrongful death claims and other damage to our properties and the properties of others.

The transportation of motor fuels, as well as the associated storage of such fuels at locations including convenience stores, are subject to various federal, state and local environmental laws and regulations, including those relating to ownership and operation of storage tanks, the release or discharge of regulated materials into the air, water and soil, the generation, storage, handling, use, transportation and disposal of hazardous materials, the exposure of persons to regulated materials, and the health and safety of employees dedicated to such transportation and storage activities. These laws and regulations may impose numerous obligations and restrictions that are applicable to motor fuels transportation and storage and other related activities, including acquisition of, or applications for, permits, licenses, or other approvals before conducting regulated activities; restrictions on the quality and labeling of the motor fuels that may be sold; restrictions on the types, quantities and concentration of materials that may be released into the environment; required capital expenditures to comply with pollution control requirements; and imposition of substantial liabilities for pollution or non-compliance resulting from these activities. Numerous governmental authorities, such as the EPA, and analogous state agencies, have the power to monitor and enforce compliance with these laws and regulations and the permits, licenses and approvals issued under them, including fines, which can result in increased pollution control equipment costs or other actions. Failure to comply with these existing laws and regulations, or any newly adopted laws or regulations, may trigger administrative, civil or criminal enforcement measures, including the assessment of monetary penalties or other sanctions, the imposition of investigative, remedial or corrective action obligations, the imposition of additional compliance requirements on certain operations or the issuance of orders enjoining certain operations. Moreover, the trend in environmental regulation is for more restrictions and limitations on activities that may adversely affect the environment, which aligns with a growing trend in investor sentiment, and such regulation may result in increased costs of compliance.

Where releases of motor fuels or other substances or wastes have occurred, federal and state laws and regulations, and our lease agreements, require that contamination caused by such releases be assessed and remediated to meet applicable clean-up standards. Certain environmental laws impose strict, joint and several liability for costs required to clean-up and restore sites where motor fuels or other waste products have been disposed or otherwise released. The costs associated with the investigation and remediation of contamination, as well as any associated third-party claims for damages or to impose corrective action obligations, could be substantial and could have a material adverse effect on us or our customers who transport motor fuels or own or operate convenience stores or other facilities where motor fuels are stored.

For more information on potential risks arising from environmental and occupational safety and health laws and regulations, please see “*Business—Environmental and Other Government Regulations.*”

Business disruption and related risks resulting from the outbreak of COVID-19 and variants of the virus could have a material adverse effect on our business and results of operations.

In December 2019, Chinese officials reported a novel coronavirus (“COVID-19”) outbreak. COVID-19 has since spread throughout the world, leading the World Health Organization to declare on March 11, 2020, that COVID-19 reached the magnitude of a global pandemic. The rapid spread of COVID-19 throughout the U.S. led federal, state and local governments to take significant steps in an attempt to reduce exposure to COVID-19 and variants of the virus and control their negative effects on public health and the U.S. economy, which steps changed over time and varied by locality. The COVID-19 pandemic has subsided with the normalization of living with COVID-19 following the increase in accessibility to COVID-19 vaccines and antiviral treatments. While the COVID-19 pandemic generally impacted our results of operations positively, the pandemic initially negatively impacted our foodservices sales and same store fuel sales volumes, and we have experienced shortages in labor and supply chain disruptions that have increased our operating costs. The resurgence of the COVID-19 pandemic could once again impact our operations and the operations of our customers and suppliers as a result of quarantines, location closures, illnesses, and travel restrictions. Any future resurgence of COVID-19 or variants of the virus, and the severity and duration thereof, remain uncertain, however, a substantial and

continuous deterioration in the business environment in the U.S. as a consequence thereof could have a material adverse effect on our business, financial condition and results of operations, including:

- Significant reductions or volatility in demand for products sold at our convenience stores and gas stations due to substantially lower customer traffic resulting from travel restrictions, social distancing measures, and more people working and studying virtually;
- Significant disruptions of some or all of our operations as a result of government-imposed restrictions on customers and/or employees;
- Temporary or long-term disruptions and delays to our supply chain, including our network of suppliers and distributors, significantly impacting the quantity, quality, variety and pricing of merchandise sold at our sites;
- Limitations on availability of prospective and active employees;
- Restrictions on the sale and pricing of certain products;
- Increased employee healthcare costs related to COVID-19 and variants of the virus;
- Cost to comply with constantly evolving laws and regulations related to COVID-19 and variants of the virus, including additional cleaning and protective equipment for employees and administrative costs; and
- Changes to our competitors' service offerings, including delivery and drive-through options, which we offer on a limited basis.

Failure to comply with applicable laws and regulations could result in liabilities, penalties, costs, or license suspension or revocation that could have a material adverse effect on our business.

Our operations are subject to numerous federal, state and local laws and regulations, including regulations related to the sale of alcohol, cigarettes and other tobacco products, lottery/lotto products, other age-restricted products, operation of gaming machines, various food safety and product quality requirements, environmental laws and regulations, and various employment and tax laws.

Our violation of, or inability to comply with, state laws and regulations concerning the sale of alcohol, cigarettes and other tobacco products, lottery/lotto products, other age-restricted products and operation of gaming machines could expose us to regulatory sanctions ranging from monetary fines to the revocation or suspension of our permits and licenses for the sale of such products. Such regulatory action could adversely affect our business, financial condition and results of operations. To the extent we are not able to provide such information because owners of our stock do not provide the necessary documentation to comply, we may have those licenses suspended or revoked.

Our failure to comply with applicable labor and employment laws pertaining to, among others, minimum wage, mandated healthcare benefits or paid time-off benefits could result in increased regulatory scrutiny, monetary fines and substantial costs and expenses related to legal proceedings.

Our business, particularly the operation of gas stations, and the storage and transportation of fuel products, is directly affected by numerous environmental laws and regulations pertaining, in particular, to the quality of fuel products, the handling and disposal of hazardous wastes and the prevention and remediation of environmental contaminations. Such laws and regulations are constantly evolving and have generally become more stringent over time. Our compliance with such evolving regulation requires significant and continuously increasing capital expenditures. Our business may also be (indirectly) affected by the adoption of environmental laws and regulations intended to address global climate change by limiting carbon emissions and introducing more stringent requirements for the exploration, drilling and transportation of crude oil and petroleum products. Increasingly wide-spread implementation of such laws and regulations may lead to a significant increase in the cost of petroleum-based fuels and, in turn, lower demand for road transportation fuel. Our failure to comply with applicable environmental laws and regulations, or a significant contamination at one of our sites requiring remediation of contaminated soil and groundwater on a large scale, could expose us to substantial fines and penalties, as well as administrative, civil and criminal charges, all of which could have a material adverse effect on our business, reputation, financial condition and results of operations.

We are subject to extensive tax liabilities imposed by multiple jurisdictions, including income taxes, fuel excise taxes, sales and use taxes, payroll taxes, franchise taxes, property taxes and tobacco taxes. Many of these tax liabilities are subject to periodic audits by the respective taxing authorities. Substantial changes or reforms in the current tax regime could result in increased tax expenses and potentially have a material adverse effect on our financial condition and results of operations.

We rely on a large number of store employees. If we do not effectively manage our workforce, our labor costs and results of operations could be adversely affected.

With approximately 11,000 store employees, our labor costs represent one of our largest store operating expenses, and our business is dependent on our ability to attract, train, and retain the appropriate mix of qualified employees. Most of our store employees are in entry-level or part-time positions, which have historically high turnover rates. The impact from the COVID-19 pandemic on employment trends and the prevailing wage rates in the markets in which we operate, including voluntary increases in wages because of current labor market conditions, have increased our costs associated with recruiting and retaining qualified personnel, and may continue to do so in the future. Our ability to meet our changing labor needs while controlling our costs is subject to external factors outside of our control such as labor laws and regulations, unemployment levels, prevailing wage rates, benefit costs, changing demographics, and our reputation and relevance within the labor market. If we are unable to attract and retain qualified personnel to work in our stores, our operations, customer service levels, reputation, and competitiveness could suffer and our results of operations could be adversely affected.

The loss of key senior management personnel or the failure to recruit or retain qualified personnel could materially adversely affect our business.

We are dependent on our ability to recruit and retain qualified individuals to work in and manage our convenience stores, and our operations are subject to federal and state laws governing such matters as minimum wages, overtime, working conditions and employment eligibility requirements. Economic factors, such as a decrease in unemployment and an increase in mandatory minimum wages at the local, state and federal levels and social benefits, could have a material impact on our results of operations if we are required to significantly increase wages and benefits expenditures in order to attract and retain qualified personnel. The state of the current labor market could impact our ability to recruit and retain qualified personnel. Additionally, we are dependent on our senior management to operate our business. The loss of any of our executive officers or other key senior management personnel could harm our business.

Unfavorable weather conditions could adversely affect our business.

Weather conditions have a significant effect on our sales, as retail customer transactions in higher profit margin products generally increase when weather conditions are favorable. Consequently, our results are seasonal, and we typically earn more during the warmer second and third quarters of the year. In addition, severe weather phenomena, such as hurricanes, may adversely affect our results of operations and could result in significant damage to our gas stations, convenience stores and infrastructure, potentially resulting in substantial costs and expenses. Temporary or long-term disruptions to our supply chain in connection with unfavorable weather conditions could impact our network of suppliers and distributors, significantly impacting the quality, variety and pricing of merchandise sold at our sites.

We may be held liable for fraudulent credit card transactions on our fuel dispensers.

Europay, MasterCard and Visa, or EMV, is a global standard for credit cards that uses computer chips to authenticate and secure chip-card transactions. The liability for fraudulent credit card transactions shifted from the credit card processor to us in October 2015 for transactions processed inside the convenience stores and shifted to us in April 2021 for transactions at the fuel dispensers. We have upgraded all of our inside point-of-sale machines to be EMV-compliant, and we are actively upgrading our fuel dispensers to be EMV-compliant at the fuel dispenser with approximately 55% of retail locations completed as of December 31, 2022. Due to the required time and cost necessary to upgrade each site and supply chain constraints related to necessary equipment, we did not upgrade all of our sites prior to April 2021, but anticipate being substantially complete by the end of 2023. Accordingly, we may be subject to liability for fraudulent credit card transactions processed at fuel dispensers. We do not believe that this will expose us to material chargeback liability.

We are subject to payment-related risks that may result in higher operating costs or the inability to process payments, either of which could harm our brand, reputation, business, financial condition and results of operations.

We accept a variety of credit cards and debit cards in our convenience stores and at our fuel dispensers and, accordingly, we are, and will continue to be, subject to significant and evolving regulations and compliance requirements, including obligations to implement enhanced authentication processes that could result in increased costs and liability (see “—*We may be held liable for fraudulent credit card transactions on our fuel dispensers*”) and reduce the ease of use of certain payment methods. In addition, we pay interchange and other fees, which may increase over time. We rely on fuel brands and independent service providers for payment processing, including credit and debit cards. If these fuel brands and independent service providers become unwilling or unable to provide these services to us, if the cost of using these providers increases, or if such providers have a data breach or mishandle our data, our business could be harmed. Additionally, there is a trend toward cardless payment methods, which may require additional

investment to implement at our locations. As these trends develop, we will need to align our fleet card offering to the new technologies.

We are also subject to payment card association operating rules and agreements, including data security rules and agreements and certification requirements which could change or be reinterpreted to make it difficult or impossible for us to comply. In particular, we must comply with the Payment Card Industry Data Security Standard, or PCI DSS, a set of requirements designed to ensure that all companies that process, store or transmit payment card information maintain a secure environment to protect cardholder data. If we fail to comply with any of these rules or requirements, or if our data security systems are breached or compromised, we may be liable for losses incurred by card issuing banks or customers, subject to fines and higher transaction fees, lose our ability to accept credit or debit card payments from our customers, or process electronic fund transfers or facilitate other types of payments. Any failure to comply with such rules or requirements could significantly harm our brand, reputation, business, financial condition and results of operations.

Significant disruptions of information technology systems, breaches of data security, or compromised data could materially adversely affect our business.

We rely on multiple information technology systems and a number of third-party vendor platforms (collectively, "IT Systems") in order to run and manage our daily operations, including for fuel pricing, loyalty programs, payroll, accounting, budgeting, reporting, and store operations. Such IT Systems allow us to manage various aspects of our business and to provide reliable analytical information to our management. The future operation, success and growth of our business depends on streamlined processes made available through our uninhibited access to information systems, global communications, internet activity and other network processes. Like most other companies, despite our current security measures and process controls, our information technology systems, and those of our third-party service providers, may be vulnerable to information security breaches, ransomware or extortion, mishandled data, acts of vandalism, computer viruses and interruption or loss of valuable business data. Stored data might be improperly accessed due to a variety of events beyond our control, including, but not limited to, damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, physical and electronic loss of access to data and information, terrorist attacks, hackers, security breaches or other security incidents, and computer viruses or attacks. We rely on third parties to provide maintenance and support of our IT Systems, and a failure of any of these third parties to provide adequate and timely support could adversely affect the operation of our IT Systems. We have technology security initiatives and disaster recovery plans in place to mitigate our risk to these vulnerabilities, but these measures may not be adequately designed or implemented to ensure that our operations are not disrupted or the data security breaches do not occur.

Hackers and data thieves are increasingly sophisticated and operate large-scale and complex attacks which may remain undetected until after they occur. Any breach of our network or those of our vendors may result in damage to our reputation, the loss of valuable business data, the misappropriation of our valuable intellectual property or trade secret information, misappropriation of our consumers' or employees' personal information, key personnel being unable to perform duties or communicate throughout the organization, loss of retail sales, significant costs for data restoration and other adverse impacts on our business. Despite our existing security procedures and controls, if our network or the network of one of our service providers was compromised, it could give rise to unwanted media attention, materially damage our customer relationships, harm our business, reputation, results of operations, cash flows and financial condition, result in fines or litigation, and may increase the costs we incur to protect against such information security breaches, such as increased investment in technology, the costs of compliance with consumer protection laws and costs resulting from consumer fraud. In addition, successful cyberattacks, data breaches, or data security incidents, at one of our vendors, other convenience store operators, large retailers or other market participants, whether or not we are directly impacted, could lead to a general loss of customer confidence or affect our supply chain which could negatively affect us, including harming the market perception of the effectiveness of our security measures or harming the reputation of the industry in general, which could result in reduced use of our products and services.

The costs of mitigating cybersecurity risks are significant and are likely to increase in the future. These costs include, but are not limited to, retaining the services of cybersecurity providers; compliance costs arising out of existing and future cybersecurity, data protection and privacy laws and regulations; costs related to maintaining redundant networks, data backups and other damage-mitigation measures; and extra administrative costs to mitigate risk and deal with any system breaches. While we maintain cyber liability insurance, our insurance may not be sufficient to protect against all losses we may incur due to policy exclusions or if we suffer significant or multiple attacks.

We are subject to evolving laws, regulations, standards, and contractual obligations related to data privacy and security regulations, and our actual or perceived failure to comply with such obligations could harm our reputation, subject us to significant fines and liability, or otherwise adversely affect our business.

As a fuel and merchandise retailer, we collect and store large amounts of data on our network, including personal data from customers and other sensitive information concerning our employees, customers and vendors. As such, we are subject to, or affected

by, a number of federal, state, and local laws and regulations, as well as contractual obligations and industry standards, that impose certain obligations and restrictions with respect to data privacy and security, and govern our collection, storage, retention, protection, use, processing, transmission, sharing and disclosure of personal and other information including that of our employees, customers, and others. If we are found to have breached any such laws or regulations, we may be subject to enforcement actions that require us to change our business practices in a manner which may negatively impact our revenue, as well as expose us to litigation, fines, civil and/or criminal penalties and adverse publicity that could cause our customers to lose trust in us, negatively impacting our reputation and business in a manner that harms our financial position.

The U.S. Federal Trade Commission (the "FTC") and state governments expect a company's data security and privacy measures to be compliant. Such rules may be reasonable and appropriate in light of the sensitivity and volume of consumer information we hold, the size and complexity of our business, and the cost of available tools to improve security and reduce vulnerabilities, or may require compliance regardless of the compliance costs as compared to the potential security and privacy issues. Our failure to take any steps perceived by the FTC as appropriate or required to protect consumers' personal information may result in claims by the FTC that we have engaged in unfair or deceptive acts or practices in violation of Section 5(a) of the FTC Act. State consumer protection laws provide similar and additional causes of action which may be brought by state governments or plaintiffs' counsel for unfair or deceptive practices for alleged privacy, data protection and data security violations.

Further, we make public statements about our use and disclosure of personal information through our privacy policies that are posted on our websites and in our loyalty applications. The publication of our privacy policies and other statements that provide promises and assurances about data privacy and security can subject us to potential government or legal action if they are found to be deceptive, unfair or misrepresentative of our actual practices.

As described above, we are also subject to the PCI DSS, which is a standard designed to protect credit card account data as mandated by payment card industry entities. We rely on vendors to handle PCI DSS matters and to ensure PCI DSS compliance. Despite our compliance efforts, we may become subject to claims that we have violated the PCI DSS based on past, present, and future business practices. Our actual or perceived failure to comply with the PCI DSS can subject us to fines, termination of banking relationships, and increased transaction fees.

In addition, numerous states already have, and are looking to expand, data protection and privacy legislation requiring companies like ours to consider solutions to meet differing needs and expectations of consumers. Similar laws have been proposed at the federal level, reflecting a trend toward more stringent privacy legislation in the United States. The enactment of such laws could have potentially conflicting requirements that would make compliance challenging and we may not be able to monitor and react to all developments in a timely manner.

Our failure, and/or the failure by the various third-party service providers and partners with which we do business, to comply with applicable privacy policies or federal or state laws and regulations or any other obligations relating to privacy, data protection or information security, or any compromise of security that results in the unauthorized release of personal data or other user data, or the perception that any such failure or compromise has occurred, could negatively harm our brand and reputation, result in a loss sales and/or result in fines and/or proceedings by governmental agencies and/or customers, any of which could have a material adverse effect on our business, results of operations and financial condition.

Our business could suffer if we fail to adequately secure, maintain, and enforce our intellectual property rights.

We rely on our trademarks, trade names, and brand names to distinguish our products and services from those of our competitors, and have registered or applied to register many of these trademarks. We cannot assure you that our trademark applications will be approved. Third parties may also oppose our trademark applications, or otherwise challenge our use of the trademarks. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products or services, which could result in loss of brand recognition, and could require us to devote resources advertising and marketing new brands. Further, we cannot assure you that competitors will not infringe our trademarks, or that we will have adequate resources to enforce our trademarks.

We also rely on trademarks that we license from third parties to identify the branded fuels that we supply, including the marks "ExxonMobil," "Marathon," "BP," "Shell," and "Valero." In our quick service food offerings, we license trademarks such as "Subway," "Sbarro" and "Dunkin'" to use at our applicable franchised or licensed outlets. We also license the "Jetz" trademark for use at certain of our convenience stores in Wisconsin. If we violate the terms of these licenses, we could be liable for damages, and the licenses could be terminated. The termination or non-renewal of any of these licenses could require us to rebrand or to replace the licensed goods and services, and accordingly could have a material adverse effect on our business, reputation, financial condition and results of operations.

We also rely on unpatented proprietary technology. It is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology. We use access controls in an effort to prevent unauthorized use or disclosure of our trade secrets and proprietary or confidential information, however, we cannot assure you that these controls will

not be circumvented. We also generally require employees, consultants, advisors and collaborators to enter into confidentiality agreements. We cannot assure you that these agreements will provide meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know-how or other proprietary information. If we are unable to maintain the proprietary nature of our technologies, we could be materially adversely affected.

If third parties claim that we infringe upon their intellectual property rights, our operating profits could be adversely affected.

We face the risk of claims that we have infringed third parties' intellectual property rights. Any claims of intellectual property infringement, even those without merit, could be expensive and time consuming to defend and divert management's attention, cause us to cease making, licensing or using the products or services that incorporate the challenged intellectual property, require us to rebrand our products or services, if feasible, or require us to enter into royalty or licensing agreements in order to obtain the right to use a third party's intellectual property.

Any royalty or licensing agreements, if required, may not be available to us on acceptable terms or at all. A successful claim of infringement against us of third party intellectual property infringement could result in us being required to pay significant damages, enter into costly license or royalty agreements, or stop the sale of certain products or stop the use of certain services, any of which could have a negative impact on our operating profits and harm our future prospects.

We depend on third-party transportation providers for the transportation of most of our motor fuel. Thus, a change of providers or a significant change in our relationship with these providers could have a material adverse effect on our business.

Most of the motor fuel we distribute is transported from terminals to gas stations and cardlock locations by third-party transportation providers. Such providers may suspend, reduce or terminate their obligations to us if certain events (such as force majeure) occur. A change of key transportation providers, a disruption or cessation in services provided by such providers or a significant change in our relationship with such providers could have a material adverse effect on our business, financial condition and results of operations.

Our operations present risks which may not be fully covered by insurance.

We carry comprehensive insurance against the hazards and risks underlying our operations. We believe our insurance policies are customary in the industry; however, some losses and liabilities associated with our operations may not be covered by our insurance policies. In addition, there can be no assurance that we will be able to obtain similar insurance coverage on favorable terms (or at all) in the future. Significant uninsured losses and liabilities could have a material adverse effect on our financial condition and results of operations. Furthermore, our insurance is subject to high deductibles. As a result, certain large claims, even if covered by insurance, may require a substantial cash outlay by us, which could have a material adverse effect on our financial condition and results of operations.

Our variable rate debt could adversely affect our financial condition and results of operations.

Certain of our outstanding term loans and revolving credit facilities bear interest at variable rates, subjecting us to fluctuations in the short-term interest rate. The U.S. Federal Reserve Board significantly increased the federal funds rate in 2022 and has indicated that further rate increases may be announced in the short-term to combat rising inflation in the United States, which has increased the borrowing costs on our variable rate debt and may increase the cost of any new debt we incur. Any further additional federal fund rate increases could in turn make our financing activities, including those related to our acquisition activity, more costly and limit our ability to refinance existing debt when it matures or pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness. As of December 31, 2022, approximately 38% of our debt bore interest at variable rates. Consequently, significant increases in market interest rates would create substantially higher debt service requirements, which could have a material adverse effect on our overall financial condition, including our ability to service our indebtedness.

The agreements governing our indebtedness contain various restrictions and financial covenants that may restrict our business and financing activities.

We depend on the earnings and cash flow generated by our operations in order to meet our debt service obligations. The operating and financial restrictions and covenants in GPM's credit facilities and our 5.125% Senior Notes due 2029 (the "Senior

Notes”), and any future financing agreements, may restrict our ability to finance future operations or expand our business activities. For example, certain of GPM’s and GPMP’s credit facilities and our Senior Notes restrict our ability to, among other things:

- incur additional debt or issue guarantees;
- incur or permit liens to exist on certain property;
- pay dividends, redeem stock or make other distributions;
- make certain investments, acquisitions or other restricted payments;
- enter into certain types of transactions with affiliates;
- agree to certain restrictions on the ability of restricted subsidiaries to make payments to us;
- engage in certain asset sales;
- modify or terminate certain material contracts; and
- merge or dispose of all or substantially all of its assets.

In addition, certain of the credit agreements governing GPM’s credit facilities contain covenants requiring GPM to maintain certain financial ratios. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Indebtedness*” for additional information about GPM’s credit facilities and our Senior Notes.

Our ability to comply with these restrictions and covenants is uncertain and will be affected by the levels of cash flow from operations and other events or circumstances beyond our control. If market or other economic conditions deteriorate, our ability to comply with these covenants may be impaired. If we violate any provisions of our credit facilities or Senior Notes that are not cured or waived within the appropriate time periods provided in the agreements governing such indebtedness, a significant portion of our indebtedness may become immediately due and payable, and our lenders’ commitment to make further loans to us under certain of our credit facilities may terminate. We might not have, or be able to obtain, sufficient funds to make these accelerated payments.

If we were unable to repay the accelerated amounts, the lenders under our secured credit facilities could proceed against the collateral granted to them to secure such debt. If the payment of our debt is accelerated, our assets may be insufficient to repay such debt in full, which could result in our insolvency.

SOFR has a limited history, and the future performance of SOFR cannot be predicted based on historical performance.

As of December 31, 2022, approximately 38% of our debt bore interest at variable rates, with the majority of them based on CME Group’s forward-looking Secured Overnight Financing Rate (“SOFR”). The publication of SOFR began in April 2018, and, therefore, it has a limited history. In addition, the future performance of SOFR cannot be predicted based on the limited historical performance. Future levels of SOFR may bear little or no relation to the historical actual or historical indicative SOFR data. Prior observed patterns, if any, in the behavior of market variables and their relation to SOFR, such as correlations, may change in the future. Hypothetical performance data are not indicative of, and have no bearing on, the potential performance of SOFR. Although changes in term SOFR and compounded SOFR generally are not expected to be as volatile as changes in SOFR on a daily basis, the return on, value of and market for the SOFR based debt may fluctuate more than floating rate debt securities with interest rates based on less volatile rates.

Risks Related to the Business as a Public Company

We incur significantly increased expenses and administrative burdens as a public company, which could have an adverse effect on our business, financial condition and results of operations.

We incur certain increased legal, accounting, insurance, administrative and other costs and expenses as a public company. The Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”), including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules and regulations promulgated and to be promulgated thereunder, the PCAOB and the securities exchanges, impose additional reporting and other obligations on public companies. Compliance with public company requirements has increased costs and made certain activities more time-consuming. Furthermore, if any issues in complying with those requirements are identified (for example, if our auditors identify a material weakness or significant deficiency in our internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of it. Risks associated with our status as a public company may make it more difficult to attract and retain qualified persons to serve on our board of directors or as executive officers. The additional reporting and other obligations imposed by these rules and

regulations have increased legal and financial compliance costs and the costs of related legal, accounting and administrative activities and may significantly increase such costs in the future. These increased costs have, and will in the future, require us to divert a significant amount of money that could otherwise be used to expand our business and achieve certain strategic objectives. Advocacy efforts by stockholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs.

Risks Related to Our Organizational Structure

Our principal stockholders and management control us and their interests may conflict with yours in the future.

Our executive officers and directors and significant stockholders beneficially currently own approximately 58% of our outstanding voting stock. Each share of common stock entitles its holders to one vote on all matters presented to stockholders generally. Accordingly, those owners, if voting in the same manner, will be able to control the election and removal of our directors and thereby determine corporate and management policies, including potential mergers or acquisitions, payment of dividends, asset sales, amendment of the certificate of incorporation and bylaws and other significant corporate transactions for so long as they retain significant ownership. This concentration of ownership may delay or deter possible changes in control, which may reduce the value of an investment in the common stock. So long as they continue to own a significant amount of the combined voting power, even if such amount is less than 50%, they will continue to be able to strongly influence or effectively control our decisions.

Our corporate structure includes Israeli subsidiaries that may have adverse tax consequences and expose us to additional tax liabilities.

Our corporate structure includes Israeli subsidiaries that file tax returns in Israel. Israeli tax authorities may challenge positions taken by such subsidiaries with respect to its tax returns. To the extent such a challenge is sustained, this could increase our worldwide effective tax rate and adversely impact our financial position and results of operations. In addition, tax law or regulations in Israel may be amended and Israeli tax authorities may change their interpretations of existing tax law and regulations such that we may be subject to increased tax liabilities, including upon termination or liquidation of our Israeli subsidiaries. We may face additional tax liabilities in transferring cash through our Israeli subsidiaries by means of dividends or otherwise to support us, primarily due to withholding tax requirements imposed pursuant to the provisions of the Israeli tax law (which may be reduced under the provisions of the convention between the Government of the United States of America and the Government of Israel with respect to Taxes on Income), which could have a material adverse effect on our business, financial condition and results of operations.

Our amended and restated certificate of incorporation designates specific courts as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.

Pursuant to our amended and restated certificate of incorporation, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for any state law claim for (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of or based on a breach of a fiduciary duty owed by any director, officer or other employee of ours to us or our stockholders; (3) any action asserting a claim pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our bylaws; or (4) any action asserting a claim governed by the internal affairs doctrine (the "Delaware Forum Provision"). The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our amended and restated certificate of incorporation further provides that unless we consent in writing to the selection of an alternative forum, the United States District Court in Delaware shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (the "Federal Forum Provision"). In addition, our amended and restated certificate of incorporation provides that any person or entity purchasing or otherwise acquiring any interest in shares of common stock is deemed to have notice of and consented to the Delaware Forum Provision and the Federal Forum Provision; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

We recognize that the Delaware Forum Provision and the Federal Forum Provision in our amended and restated certificate of incorporation may impose additional litigation costs on stockholders in pursuing any such claims, particularly if the stockholders do not reside in or near the State of Delaware. Additionally, the forum selection clauses in our amended and restated certificate of incorporation may limit our stockholders' ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage the filing of lawsuits against us and our directors, officers and employees, even though an action, if successful, might benefit our stockholders. While the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court were "facially valid" under Delaware law, there is uncertainty as to whether courts in other jurisdictions will enforce the Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable.

or invalid. The Court of Chancery of the State of Delaware may also issue different judgments than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

Risks Related to Our Securities

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, stockholders could lose confidence in our financial and other public reporting, which is likely to negatively affect our business and the market price of our common stock.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports and prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in our implementation could cause us to fail to meet our reporting obligations. In addition, any testing conducted by us, or any testing conducted by our independent registered public accounting firm, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which is likely to negatively affect our business and the market price of our common stock.

We are required to comply with Section 404 of the Sarbanes-Oxley Act, which requires annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent registered public accounting firm on the effectiveness of internal control over financial reporting as of year-end. In particular, we are required to perform system and process evaluation and testing of our internal controls over financial reporting to allow management to report on the effectiveness of our internal controls over financial reporting, as required by Section 404(a) of the Sarbanes-Oxley Act. We are also subject to the compliance requirements of Section 404(b) of the Sarbanes-Oxley Act, which has resulted in us incurring substantial expenses and expending significant management efforts to comply with the Sarbanes-Oxley Act, which we will continue. We cannot assure you that we will at all times in the future be able to report that our internal controls are effective. Material weaknesses in the design and operation of the internal control over financial reporting of businesses that we acquire could have a material adverse effect on our business and operating results. If we are not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act or if we identify or our independent registered public accounting firm identifies deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, the market price of our common stock could decline and we could be subject to sanctions or investigations by Nasdaq, the SEC, or other regulatory authorities, which would require additional financial and management resources.

The market price and trading volume of our common stock may be volatile and could decline significantly.

The Nasdaq stock market on which we list our common stock, has from time to time experienced significant price and volume fluctuations. Even if an active, liquid and orderly trading market is sustained for our common stock, the market price of our common stock may be volatile and could decline significantly. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares at or above the market price of our common stock as of the date of this Annual Report on Form 10-K. We cannot assure you that the market price of our common stock will not fluctuate widely or decline significantly in the future in response to a number of factors, including, among others, the following:

- the realization of any of the risk factors presented in this Annual Report on Form 10-K;
- actual or anticipated differences in our estimates, or in the estimates of analysts, for our revenues, results of operations, level of indebtedness, liquidity or financial condition;
- additions and departures of key personnel;
- failure to comply with the requirements of Nasdaq;
- failure to comply with the Sarbanes-Oxley Act or other laws or regulations;
- future issuances, sales or resales, or anticipated issuances, sales or resales, of our common stock;
- publication of research reports about us, our sites or the convenience store industry generally;
- the performance and market valuations of other similar companies;
- broad disruptions in the financial markets, including sudden disruptions in the credit markets;
- speculation in the press or investment community or trends caused by internet forums;
- actual, potential or perceived control, accounting or reporting problems; and

- changes in accounting principles, policies and guidelines.

In the past, securities class-action litigation has often been instituted against companies following periods of volatility in the market price of their shares. This type of litigation could result in substantial costs and divert our management's attention and resources, which could have a material adverse effect on us.

If securities or industry analysts do not publish research, publish inaccurate or unfavorable research or cease publishing research about us or the convenience store industry, our share price and trading volume could decline significantly.

The market for our common stock depends in part on the research and reports that securities or industry analysts publish about us, our business or our industry. We have limited coverage from securities and industry analysts. If one or more of the analysts who cover us downgrade their opinions about our common stock, publish inaccurate or unfavorable research about us, or cease publishing about us regularly, demand for our common stock could decrease, which might cause our share price and trading volume to decline significantly. Additionally, if securities or industry analysts publish negative information regarding the industry generally or certain competitors of ours, this may affect the market price of all stocks in our sector, even if unrelated to our performance.

Sales of a substantial number of shares of our common stock in the public market could cause the price of our common stock to decline.

As of December 31, 2022, we had approximately 120.1 million shares of common stock outstanding and warrants to purchase approximately 18.4 million shares of common stock. We have registered shares of common stock that we may issue under our equity compensation plan. These shares may be sold freely in the public market upon issuance, subject to relevant vesting schedules, and applicable securities laws. Additionally, in the past we have issued, and may issue in the future, equity as part of the purchase price for an acquisition.

Sales of a substantial number of shares of our common stock in the public market or the perception that these sales might occur could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that sales may have on the prevailing market price of our common stock.

Certain provisions in our amended and restated certificate of incorporation may limit stockholders' ability to affect a change in management or control.

Our amended and restated certificate of incorporation includes certain provisions which may have the effect of delaying or preventing a future takeover or change in control that stockholders may consider to be in their best interests. Among other things, our amended and restated certification of incorporation provided for a classified board of directors serving staggered terms of three years. While this provision was amended at our last annual meeting, the 2023 annual meeting will be the first meeting where certain directors are elected to one year terms, however, classes of directors with each of one-year and two-year terms remaining will not be up for election at the 2023 annual meeting. Our equity plans and our officers' employment agreements provide certain rights to plan participants and those officers, respectively, in the event of a change in control.

We may not continue to declare cash dividends or may reduce the amount of cash dividends in the future.

In February 2022, we announced that our board of directors authorized a regular dividend program under which we commenced payment of quarterly dividends on our common stock, subject to quarterly declarations by our board of directors. Any future declarations of dividends, as well as the amount and timing of such dividends, are subject to capital availability and the discretion of our board of directors, which must evaluate, among other things, whether cash dividends are in the best interest of our stockholders and are in compliance with all applicable laws and any agreements containing provisions that limit our ability to declare and pay cash dividends.

Our ability to pay dividends in the future and their amount will depend upon, among other factors, our cash balances and potential future capital requirements, debt service requirements, earnings, financial condition, the general economic and regulatory climate, and other factors beyond our control that our board of directors may deem relevant. Our dividend payments may change from time to time, and we may not continue to declare dividends in the future. A reduction in or elimination of our dividend payments could have a negative effect on our stock price.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES.

As of December 31, 2022, we owned 354 properties, including 260 company-operated sites, 47 consignment agent locations, 39 lessee-dealer sites and 8 cardlock locations. Additionally, we have long-term control over a leased property portfolio composed of 1,430 locations as of December 31, 2022. Of the leased properties, 1,144 were company-operated stores, 82 were consignment agent locations, 91 were lessee-dealer sites and 113 were cardlock locations.

ITEM 3. LEGAL PROCEEDINGS.

As of the date of this Annual Report on Form 10-K, we were not party to any material legal proceedings other than those arising in the ordinary course of business.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Our common stock and publicly-traded warrants are listed on the Nasdaq Capital Market under the symbols "ARKO" and "ARKOW," respectively.

As of February 24, 2023, there were approximately 19 holders of record of our common stock and 10 holders of record of our publicly-traded warrants to purchase one whole share of common stock at a price of \$11.50 per share.

Information concerning the dividends called for by this item is incorporated herein by reference to Note 17, "Equity," in the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

We repurchased no shares of common stock during the fourth quarter of the year ended December 31, 2022.

Unregistered Sales of Equity Securities and Use of Proceeds

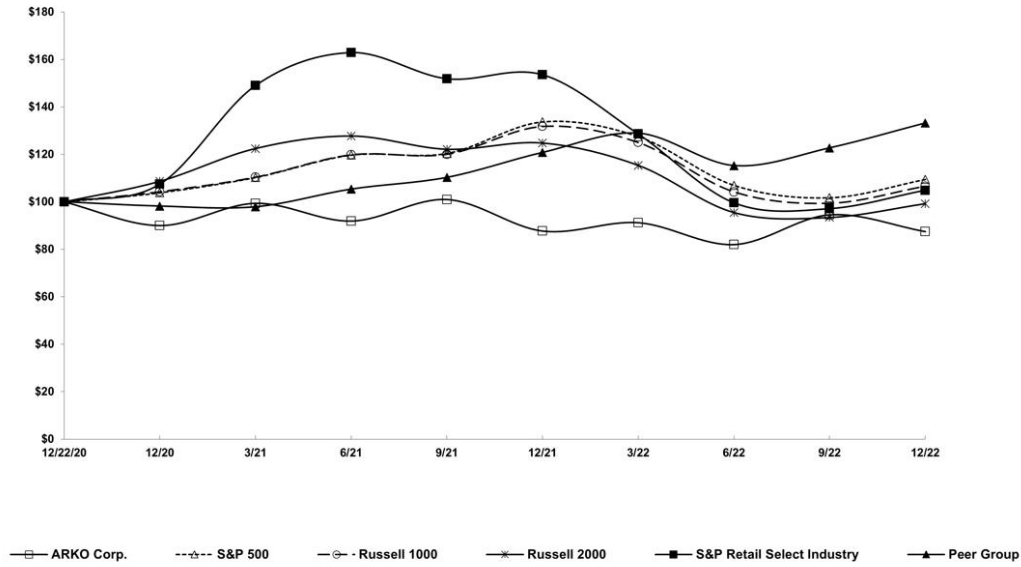
All recent sales of unregistered securities were previously reported in a Current Report on Form 8-K or Quarterly Report on Form 10-Q.

Performance Graph

We are transitioning from the Russell 1000 index to the Russell 2000 index because our common stock is included in the Russell 2000 index. We are also transitioning from a Custom Peer Group index to the S&P Retail Select Industry Index, an index in which our common stock is included, because we believe our business includes multiple components and a larger group of retail companies provides a better comparison than just the limited number of public companies in our industry. All of these indices are included in the following performance graph. The following graph compares the performance of our common stock during the period beginning December 23, 2020 through December 31, 2022, assuming an investment of \$100 on December 23, 2020, to that of the total return index for the S&P 500, the Russell 1000, the Russell 2000, the S&P Retail Select Industry Index and a Custom Peer Group. In calculating total annual stockholder return, reinvestment of dividends, if any, is assumed. The indices are included for comparative purposes only. They do not necessarily reflect management's opinion that such indices are an appropriate measure of the relative performance of our common stock.

COMPARISON OF 2 YEAR CUMULATIVE TOTAL RETURN

Among ARKO Corp., the S&P 500 Index, the Russell 1000 Index, the Russell 2000 Index, the S&P Retail Select Industry Index, and a Peer Group



	12/23/2020	12/31/2021	12/31/2022
ARKO Corp.	\$ 100	\$ 87.70	\$ 87.47
S&P 500	100	133.65	109.45
Russell 1000	100	131.80	106.59
Russell 2000	100	124.75	99.26
S&P Retail Select Industry Index	100	153.59	104.87
Peer Group ¹	100	120.45	133.20

¹ The Custom Peer Group consists of three industry competitors: Murphy USA, Inc., Alimentation Couche-Tard, Inc., and Casey's General Stores, Inc.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"), Section 27A of the Securities Act of 1933, as amended, (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), about our expectations, beliefs, plans and intentions regarding our product development efforts, business, financial condition, results of operations, strategies and prospects. You can identify forward-looking statements by the fact that these statements do not relate to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those contained in "Item 1A — Risk Factors" of this Annual Report on Form 10-K. Forward-looking statements reflect our views only as of the date they are made. We do not undertake any obligation to update forward-looking statements except as required by applicable law. We intend that all forward-looking statements be subject to the safe harbor provisions of PSLRA.

Overview

Based in Richmond, VA, we are a leading independent convenience store operator and, as of December 31, 2022, we were the sixth largest convenience store chain in the United States ("U.S.") ranked by store count, operating 1,404 retail convenience stores. As of December 31, 2022, we operated the stores under more than 20 regional store brands, including 1-Stop, Admiral, Apple Market®, BreadBox, ExpressStop, E-Z Mart®, fas mart®, fastmarket®, Handy Mart, Jetz, Jiffi Stop®, Jiffy Stop, Li'l Cricket, Next Door Store®, Pride, Roadrunner Markets, Rstore, Scotchman®, shore stop®, Town Star, Village Pantry® and Young's. As of December 31, 2022, we also supplied fuel to 1,674 independent dealers and operated 183 cardlock locations (unstaffed fueling locations) acquired in the Quarles Acquisition (as defined below), which closed on July 22, 2022. We are well diversified geographically and, as of December 31, 2022, operated across 34 states and the District of Columbia in the Mid-Atlantic, Midwestern, Northeastern, Southeastern and Southwestern U.S.

Our primary business is the operation of convenience stores. As such, we derive a significant portion of our revenue from the retail sale of fuel and the products offered in our stores, resulting in our retail stores generating a large proportion of our profitability. Our retail stores offer a wide array of cold and hot foodservice, beverages, cigarettes and other tobacco products, candy, salty snacks, grocery, beer and general merchandise. We have foodservice offerings at approximately 1,150 company-operated stores. The foodservice category includes hot and fresh grab-n-go foods, deli, fried chicken, bakery, pizza, roller grill items and other prepared foods. In addition, at our stores, we operate over 120 branded quick service restaurants consisting of major national brands. We have 18 new Sbarro, the Original New York Pizza, locations and are currently working on additional new food offerings of this kind. Additionally, we provide a number of traditional convenience store services that generate additional income, including lottery, prepaid products, gift cards, money orders, ATMs, gaming, and other ancillary product and service offerings. We also generate revenues from car washes at approximately 80 of our locations. Our high value fas REWARDS® loyalty program with approximately 1.3 million currently enrolled members is available in the majority of our stores and offers exclusive savings on merchandise and gas to our customers.

We also derive revenue from the wholesale distribution of fuel and the sale of fuel at cardlock locations, and we earn commissions from the sales of fuel using proprietary fuel cards that provide customers access to a nationwide network of fueling sites. We believe these revenues result in stable, ratable cash flows which can quickly be deployed to pursue accretive acquisitions and investments in our retail stores. Additionally, these locations contribute to our overall size, which leads to economies of scale with our fuel and merchandise vendors.

Description of Segments

Our reportable segments are described below.

Retail Segment

The retail segment includes the operation of a chain of retail stores, which includes convenience stores selling fuel products and other merchandise to retail customers. At our convenience stores, we own the merchandise and fuel inventory and employ personnel to manage the store.

Wholesale Segment

The wholesale segment supplies fuel to independent dealers, on either a cost plus or consignment basis. For consignment arrangements, we retain ownership of the fuel inventory at the site, are responsible for the pricing of the fuel to the end consumer and share a portion of the gross profit earned from the sale of fuel by the consignment dealers. For cost plus arrangements, we sell fuel to independent dealers and bulk and spot purchasers on a fixed-fee basis. The sales price to the independent dealer is determined according to the terms of the relevant agreement with the independent dealer, which typically reflects our total fuel costs plus the cost of transportation and a margin, with us generally retaining the prompt pay discounts and rebates.

Fleet Fueling Segment

The Quarles Acquisition, which closed on July 22, 2022, added fleet fueling to our business, which includes the operation of proprietary and third-party cardlock locations (unstaffed fueling locations), and issuance of proprietary fuel cards that provide customers access to a nationwide network of fueling sites.

GPMP Segment

The GPMP segment includes the operations of GPM Petroleum LP, referred to as GPMP, which primarily sells and supplies fuel to GPM and substantially all of its subsidiaries that sell fuel in the retail and wholesale segments at GPMP's cost of fuel (including taxes and transportation) plus a fixed margin and a fixed fee charged to sites in the fleet fueling segment.

Trends Impacting Our Business

We achieved strong store growth over the last several years, primarily by implementing a highly successful acquisition strategy. From 2013 through 2022, we completed 22 acquisitions. In July 2022, we completed our acquisition from Quarles of certain assets (the "Quarles Acquisition"), which included 121 proprietary Quarles-branded cardlock sites and 63 third-party cardlock sites for fleet fueling operations, and 46 independent dealer locations, including certain lessee-dealer sites, which comprises a complementary business from which we believe we can grow and expand the Company's fleet fueling platform. On December 6, 2022, we completed our acquisition of all of the issued and outstanding membership interests of Pride Convenience Holdings, LLC, which operates 31 convenience stores and gas stations (the "Pride Acquisition" and together with the Quarles Acquisition, the "2022 Acquisitions"). Please see Note 4 to our consolidated financial statements contained in this Annual Report on Form 10-K for additional information on the 2022 Acquisitions. Our store count has grown from 320 sites in 2011 to 3,261 sites as of December 31, 2022, of which 1,404 were operated as retail convenience stores, 1,674 were locations at which we supplied fuel to independent dealers and 183 were cardlock locations. These strategic acquisitions have had, and we expect will continue to have, a significant impact on our reported results and can make period to period comparisons of results difficult. In November 2021, we completed our acquisition of 36 Handy Mart retail convenience stores, and, in May 2021, we completed our acquisition of 60 ExpressStop retail convenience stores (collectively, the "2021 Acquisitions"). In October 2020, we completed our acquisition of the business of Empire Petroleum Partners, LLC, which business we refer to as Empire, which added 84 retail sites and 1,453 wholesale sites to our business (the "Empire Acquisition"). With our achievement of significant size and scale, we have enhanced our focus on organic growth, including implementing company-wide marketing and merchandising initiatives, which we believe will result in significant value accretion to our acquired assets.

The following table provides a history of our acquisitions, site conversions and site closings for each of the last three years, for the retail, wholesale and fleet fueling segments:

Retail Segment	For the Year Ended December 31,		
	2022	2021	2020
Number of sites at beginning of period	1,406	1,330	1,272
Acquired sites	32	97	84
Newly opened or reopened sites	—	1	3
Company-controlled sites converted to consignment or fuel supply locations, net	(17)	(9)	(14)
Closed, relocated or divested sites	(17)	(13)	(15)
Number of sites at end of period	<u>1,404</u>	<u>1,406</u>	<u>1,330</u>

Wholesale Segment ¹	For the Year Ended December 31,		
	2022	2021	2020
Number of sites at beginning of period	1,628	1,597	128
Acquired sites	46	—	1,453
Newly opened or reopened sites ²	74	76	20
Consignment or fuel supply locations converted from Company-controlled sites, net	17	9	14
Closed, relocated or divested sites	(91)	(54)	(18)
Number of sites at end of period	<u>1,674</u>	<u>1,628</u>	<u>1,597</u>

1 Excludes bulk and spot purchasers.

2 Includes all signed fuel supply agreements irrespective of fuel distribution commencement date.

Fleet Fueling Segment	For the Year Ended
	December 31, 2022
Number of sites at beginning of period	—
Acquired sites	184
Closed, relocated or divested sites	(1)
Number of sites at end of period	<u>183</u>

In recent years, the convenience store industry has focused on increasing and improving in-store foodservice offerings, including fresh foods, quick service restaurants or proprietary food offerings. We believe consumers may be more likely to patronize convenience stores that include such new and improved food offerings, which may also lead to increased inside merchandise sales or fuel sales for such stores. Our current foodservice offering, which varies by store, primarily consists of hot and fresh grab-n-go foods, deli, fried chicken, bakery, pizza, roller grill items and other prepared foods. We have historically relied upon a limited number of franchised quick service restaurants and in-store delis to drive customer traffic rather than other types of foodservice offerings. As a result, we believe that our under-penetration of foodservice presents an opportunity to expand foodservice offerings and margin in response to changing consumer behavior. In addition, we believe that continued investment in new technology platforms and applications to adapt to evolving consumer eating preferences, including contactless checkout, order ahead service, and delivery, will further drive growth in profitability.

Our results of operation are significantly impacted by the retail fuel margins we earn on gallons sold. These fuel margins can change rapidly as they are influenced by many factors including: the price of refined products; interruptions in supply caused by severe weather; supply chain disruptions; refinery mechanical failures; and competition in the local markets in which we operate.

The cost of our main products, gasoline and diesel fuel, is greatly impacted by the wholesale cost of fuel in the United States. We attempt to pass wholesale fuel cost changes through to our customers through retail price changes; however, we are not always able to do so. Competitive conditions primarily affect the timing of any related increase or decrease in retail prices. As a result, we tend to experience lower fuel margins when the cost of fuel is increasing gradually over a longer period and higher fuel margins when the cost of fuel is declining or more volatile over a shorter period of time. For the years ended December 31, 2022 and 2021, we experienced historically high fuel margins as a result of the volatile market for gasoline and diesel fuel. Depending on future market and geopolitical conditions, the supply of fuel, including diesel fuel in particular, may become constrained. We maintain terminal storage of diesel fuel for short-term supply needs.

Additionally, in 2022, the U.S. economy has continued to experience inflationary pressures, which increase the cost of the merchandise we purchase and reduces consumer purchasing power. We have mitigated a portion of these higher costs with retail price increases. If this trend continues or increases, it could impact demand for our products and services, as well as seasonal travel patterns, which could reduce future sales volumes. Additionally, because of current labor market conditions and the prevailing wage rates in the markets in which we operate, we have voluntarily increased wages, which have increased our costs associated with recruiting and retaining qualified personnel, and may continue to do so in the future.

We also operate in a highly competitive retail convenience market that includes businesses with operations and services that are similar to those that we provide. We face significant competition from other large chain operators. In particular, large convenience store chains have increased their number of locations and remodeled their existing locations in recent years, enhancing their competitive position. We believe that convenience stores managed by individual operators who offer branded or non-branded fuel are also significant competitors in the market. The convenience store industry is also experiencing competition from other retail sectors including grocery stores, large warehouse retail stores, dollar stores and pharmacies.

We believe that we have a significant opportunity to increase our sales and profitability by continuing to execute our operating strategy, growing our store base in existing and contiguous markets through acquisitions, and enhancing the performance of current stores.

Business Highlights

Increased merchandise contribution and fuel contribution at same stores combined with an increase in fuel contribution in our wholesale segment positively impacted our results of operations during 2022. In addition, the 2022 Acquisitions and the 2021 Acquisitions contributed to the improvement in our results of operations for 2022, as compared to 2021, particularly the strong fuel contribution of our fleet fueling business resulting from fuel price volatility in the second half of 2022 since the closing of the Quarles Acquisition. Store operating expenses increased in 2022 as compared to 2021, primarily due to higher personnel costs and credit card fees. General and administrative expenses also increased in 2022 as compared to 2021, primarily as a result of expenses associated with the Quarles Acquisition, wage increases and share-based compensation expense.

COVID-19

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. Throughout the pandemic, our locations have continued to operate and have remained open to the public because convenience store operations and gas stations have been deemed essential businesses by numerous federal and state authorities, including the U.S. Department of Homeland Security, and therefore were exempt from many of the closure orders that were imposed on other U.S. businesses. The COVID-19 pandemic has subsided with the normalization of the living with COVID-19 following the increase in accessibility to COVID-19 vaccines and antiviral treatments.

The COVID-19 pandemic reduced the frequency of customer visits and the number of gallons sold at our sites, however, we experienced increases in fuel margin and merchandise basket which more than offset this reduction. Additionally, our corporate offices transitioned primarily to remote work, and we believe this has allowed us to maintain or increase productivity since March 2020 while expanding the hiring universe for corporate roles nationwide. While we have seen shortages in labor and supply chain disruptions that have increased our operating costs, we have addressed these shortages and disruptions through several hiring initiatives and leveraging our strong partnerships with our suppliers. Although the COVID-19 pandemic has subsided, there continues to be a high level of uncertainty relating to how the pandemic will evolve, and how governments and consumers will react. The extent to which the COVID-19 pandemic impacts our business, results of operations, and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, a resumption of high levels of infection and hospitalization, new variants of the virus, the resulting impact on our employees, customers, suppliers, and vendors, supply chain disruptions and the remedial actions and any stimulus measures adopted by federal, state, and local governments, and to what extent normal economic and operating conditions are impacted. Therefore, we cannot reasonably estimate the future impact at this time.

Seasonality

Our business is seasonal, and our operating income in the second and third quarters has historically been significantly greater than in the first and fourth quarters as a result of the generally improved climate and seasonal buying patterns of our customers. Inclement weather, especially in the Midwest and Northeast regions of the U.S. during the winter months, can negatively impact our financial results.

Results of Operations for the years ended December 31, 2022, 2021 and 2020

The period-to-period comparisons of our results of operations contained in this Management's Discussion and Analysis of Financial Condition and Results of Operation have been prepared using our audited consolidated annual financial statements and related notes included elsewhere in this Annual Report on Form 10-K. The following discussion should be read in conjunction with such audited annual consolidated financial statements and related notes.

Consolidated Results

The table below shows our consolidated results for the years ended December 31, 2022, 2021 and 2020, together with certain key metrics.

	For the Year Ended December 31,		
	2022	2021	2020
Revenues:	(in thousands)		
Fuel revenue	\$ 7,401,090	\$ 5,714,333	\$ 2,452,401
Merchandise revenue	1,647,642	1,616,404	1,494,342
Other revenues, net	94,067	86,661	63,489
Total revenues	9,142,799	7,417,398	4,010,232
Operating expenses:			
Fuel costs	6,856,651	5,275,907	2,131,416
Merchandise costs	1,146,423	1,143,494	1,088,032
Store operating expenses	721,174	630,518	532,422
General and administrative expenses	139,969	124,667	94,424
Depreciation and amortization	101,752	97,194	74,396
Total operating expenses	8,965,969	7,271,780	3,920,690
Other expenses, net	9,816	3,536	9,228
Operating income	167,014	142,082	80,314
Interest and other financial expenses, net	(59,405)	(71,207)	(49,905)
Income before income taxes	107,609	70,875	30,409
Income tax (expense) benefit	(35,557)	(11,634)	1,499
(Loss) income from equity investment	(74)	186	(1,269)
Net income	\$ 71,978	\$ 59,427	\$ 30,639
Less: Net income attributable to non-controlling interests	231	229	16,929
Net income attributable to ARKO Corp.	\$ 71,747	\$ 59,198	\$ 13,710
Less: Accretion and dividends of Series A redeemable preferred stock	(5,750)	(5,735)	(3,277)
Net income attributable to common shareholders	\$ 65,997	\$ 53,463	\$ 10,433
Fuel gallons sold	1,971,011	2,019,206	1,207,296
Fuel margin, cents per gallon ¹	27.6	21.7	26.6
Merchandise contribution ²	\$ 501,219	\$ 472,910	\$ 406,310
Merchandise margin ³	30.4 %	29.3 %	27.2 %
Adjusted EBITDA, net of incremental bonuses ⁴	\$ 301,054	\$ 256,575	\$ 183,392

1 Calculated as fuel revenue less fuel costs divided by fuel gallons sold.

2 Calculated as merchandise revenue less merchandise costs.

3 Calculated as merchandise contribution divided by merchandise revenue.

4 Refer to "Use of Non-GAAP Measures" below for discussion of this non-GAAP performance measure and related reconciliation to net income.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

For the year ended December 31, 2022, fuel revenue increased by \$1,686.8 million, or 29.5%, compared to the year ended December 31, 2021. The increase in fuel revenue was attributable primarily to a significant increase in the average price of fuel compared to 2021, as well as incremental gallons sold related to the 2022 Acquisitions and the 2021 Acquisitions, which were partially offset by fewer gallons sold at same stores in 2022 compared to 2021.

For the year ended December 31, 2022, merchandise revenue increased by \$31.2 million, or 1.9%, compared to the year ended December 31, 2021, primarily due to the 2021 Acquisitions and the Pride Acquisition. Offsetting these increases were decreases in same store merchandise revenues and merchandise revenue from underperforming retail stores that we closed or converted to dealer-operated sites.

For the year ended December 31, 2022, other revenues, net increased by \$7.4 million, or 8.5%, compared to the year ended December 31, 2021, primarily due to additional revenue from the 2022 Acquisitions and the 2021 Acquisitions and an increase in income from gaming machines.

For the year ended December 31, 2022, total operating expenses increased by \$1,694.2 million, or 23.3%, as compared to the year ended December 31, 2021. Fuel costs increased \$1,580.7 million, or 30.0% as compared to 2021 due to fuel sold at higher average cost, partially offset by lower volumes. Merchandise costs increased \$2.9 million, or 0.3%, as compared to 2021, as the decrease in same store merchandise sales was offset by increased costs related to the 2021 Acquisitions and the Pride Acquisition. For the year ended December 31, 2022, store operating expenses increased \$90.7 million, or 14.4%, as compared to 2021 due to incremental expenses as a result of the 2022 Acquisitions and the 2021 Acquisitions and an increase in expenses at same stores, including higher personnel costs and credit card fees.

For the year ended December 31, 2022, general and administrative expenses increased \$15.3 million, or 12.3%, as compared to the year ended December 31, 2021, primarily due to expenses associated with the 2022 Acquisitions, annual wage increases, share-based compensation expense, higher transportation costs and non-recurring costs related to the internal entity realignment and streamlining.

For the year ended December 31, 2022, depreciation and amortization expenses increased \$4.6 million, or 4.7%, as compared to the year ended December 31, 2021 primarily due to assets acquired during 2022 and 2021, largely in connection with the 2022 Acquisitions and the 2021 Acquisitions.

For the year ended December 31, 2022, other expenses, net increased by \$6.3 million, as compared to the year ended December 31, 2021 primarily due to higher acquisition costs and greater losses on disposal of assets and impairment charges in 2022, which were partially offset by greater income recorded for the fair value adjustment of contingent consideration in 2022.

Operating income was \$167.0 million for the year ended December 31, 2022, as compared to \$142.1 million for the year ended December 31, 2021. The increase was primarily due to strong fuel and merchandise results along with incremental income from the 2022 Acquisitions and the 2021 Acquisitions, which was partially offset by an increase in store operating expenses and general and administrative expenses.

For the year ended December 31, 2022, interest and other financial expenses, net decreased by \$11.8 million compared to the year ended December 31, 2021 primarily related to a reduction of \$6.5 million in expenses recorded for fair value adjustments for our public and private warrants and Deferred Shares (as defined in Note 11 to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K) and \$6.3 million of deferred financing costs written off in 2021 due to the early repayment of debt, which were partially offset by a net period-over-period decrease of \$1.5 million in foreign currency gains recorded and lower rate debt outstanding in 2021. In addition, \$4.5 million of additional interest expense was recorded in 2021 for the early redemption of the Bonds (Series C).

For the year ended December 31, 2022, income tax expense was \$35.6 million compared to \$11.6 million for the year ended December 31, 2021, and our effective tax rate for the years ended December 31, 2022 and 2021 was 33.1% and 16.3%, respectively. The increase was due in part to a one-time non-cash tax expense in the amount of approximately \$8.9 million for the year ended December 31, 2022 the Company recorded in connection with the internal entity realignment and streamlining and recording of a tax benefit for the year ended December 31, 2021 of approximately \$5.5 million as a result of releasing a valuation allowance previously recorded.

For the year ended December 31, 2022, net income attributable to the Company was \$71.7 million compared to \$59.2 million for the year ended December 31, 2021.

For the year ended December 31, 2022, Adjusted EBITDA was \$301.1 million, as compared to \$256.6 million for the year ended December 31, 2021. The recent acquisitions contributed to Adjusted EBITDA for the year ended December 31, 2022 as follows: the Quarles Acquisition – \$20 million; the Pride Acquisition – \$1.8 million; and the 2021 Acquisitions – an incremental \$13.3 million. Increased merchandise contribution and fuel contribution in both the retail and wholesale segments also positively impacted Adjusted EBITDA for 2022, as compared to 2021, which was partially offset by higher personnel costs, higher credit card fees related to an increase in the retail price of fuel and an increase in general and administrative expenses primarily related to annual wage increases and expenses associated with the 2022 Acquisitions. Refer to “*Use of Non-GAAP Measures*” below for discussion of this non-GAAP performance measure and related reconciliation to net income.

For the year ended December 31, 2021 compared to the year ended December 31, 2020

For a discussion of the comparative results of operations for the years ended December 31, 2021 and 2020, refer to Part II, Item 7 “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” in our Annual Report on Form

10-K for the year ended December 31, 2021, filed with the SEC on February 25, 2022, under the subheading “Consolidated Results – For the year ended December 31, 2021 compared to the year ended December 31, 2020.”

Segment Results

Retail Segment

The table below shows the results of the retail segment for the years ended December 31, 2022, 2021 and 2020, together with certain key metrics for the segment.

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Revenues:			
Fuel revenue	\$ 3,887,549	\$ 3,048,893	\$ 1,940,303
Merchandise revenue	1,647,642	1,616,404	1,494,342
Other revenues, net	67,280	63,271	53,424
Total revenues	5,602,471	4,728,568	3,488,069
Operating expenses:			
Fuel costs	3,521,648	2,750,940	1,684,611
Merchandise costs	1,146,423	1,143,494	1,088,032
Store operating expenses	669,848	593,901	515,426
Total operating expenses	5,337,919	4,488,335	3,288,069
Operating income	\$ 264,552	\$ 240,233	\$ 200,000
Fuel gallons sold	1,006,469	1,038,561	937,095
Same store fuel gallons sold decrease (%) ¹	(8.1 %)	(1.3 %)	(16.5 %)
Fuel margin, cents per gallon ²	41.4	33.7	31.9
Same store merchandise sales (decrease) increase (%) ¹	(1.0 %)	1.6 %	3.5 %
Same store merchandise sales excluding cigarettes increase (%) ¹	2.6 %	4.8 %	4.6 %
Merchandise contribution ³	\$ 501,219	\$ 472,910	\$ 406,310
Merchandise margin ⁴	30.4 %	29.3 %	27.2 %

¹ Same store is a common metric used in the convenience store industry. We consider a store a same store beginning in the first quarter in which the store had a full quarter of activity in the prior year. Refer to “Use of Non-GAAP Measures” below for discussion of this measure.

² Calculated as fuel revenue less fuel costs divided by fuel gallons sold; excludes the estimated fixed margin or fixed fee paid to GPMP for the cost of fuel.

³ Calculated as merchandise revenue less merchandise costs.

⁴ Calculated as merchandise contribution divided by merchandise revenue.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Retail Revenues

For the year ended December 31, 2022, fuel revenue increased by \$838.7 million, or 27.5%, as compared to the year ended December 31, 2021. The increase in fuel revenue was attributable to a \$0.92 per gallon increase in the average retail price of fuel in 2022 as compared to 2021, which was offset by a decrease in gallons sold at same stores of approximately 8.1%, or 80.7 million gallons, primarily due to managing both volume and margin to optimize overall fuel margin dollars. Additionally, the Pride Acquisition and 2021 Acquisitions contributed an incremental 64.6 million gallons sold, or \$260.6 million in fuel revenue. Underperforming retail stores, which were closed or converted to independent dealers during 2022 in order to optimize profitability, negatively impacted gallons sold during 2022.

For the year ended December 31, 2022, merchandise revenue increased by \$31.2 million, or 1.9%, as compared to the year ended December 31, 2021. The Pride Acquisition and 2021 Acquisitions contributed approximately \$71.7 million of incremental merchandise revenue. Same store merchandise sales decreased \$16.2 million, or 1.0%, for 2022 compared to 2021. Same store merchandise sales decreased primarily due to lower revenue from cigarettes and reduced demand for essential products given the lessening impacts of the pandemic, which were partially offset by higher packaged beverages, center-store items, frozen food, beer and wine, other tobacco products and franchise revenue as a result of marketing initiatives, including expanded category assortments, new franchise locations and investments in coolers and freezers. In addition, there was a decrease in merchandise revenue from underperforming retail stores that were closed or converted to independent dealers.

For the year ended December 31, 2022, other revenues, net increased by \$4.0 million, or 6.3%, from the year ended December 31, 2021, primarily related to an increase in income from gaming machines and additional revenue from the Pride Acquisition and 2021 Acquisitions, partially offset by lower lottery commissions.

Retail Operating Income

For the year ended December 31, 2022, fuel margin increased as compared to the year ended December 31, 2021, primarily related to incremental fuel profit from the Pride Acquisition and 2021 Acquisitions of approximately \$23.3 million and an increase in same store fuel profit of \$47.4 million (excluding intercompany charges by GPMP). Fuel margin per gallon at same stores for 2022 was 42.0 cents per gallon, as compared to 33.9 cents per gallon for 2021.

For the year ended December 31, 2022, merchandise contribution increased \$28.3 million, or 6.0%, as compared to the year ended December 31, 2021, and merchandise margin increased to 30.4% in 2022 as compared to 29.3% in 2021. The increase was due to \$22.1 million in incremental merchandise contribution from the Pride Acquisition and the 2021 Acquisitions and an increase in merchandise contribution at same stores of \$12.5 million. Merchandise contribution at same stores increased in 2022 primarily due to higher contribution from packaged beverages, center-store items, beer and wine, other tobacco products and franchises which were partially offset by lower contribution from cigarettes. Merchandise margin at same stores was 30.2% in 2022 compared to 29.1% in 2021.

For the year ended December 31, 2022, store operating expenses increased \$75.9 million, or 12.8%, as compared to the year ended December 31, 2021, due to approximately \$36 million of incremental expenses related to the Pride Acquisition and the 2021 Acquisitions and an increase in expenses at same stores, including \$32.0 million of higher personnel costs, or 14.2%, and \$10.4 million of higher credit card fees, or 14.5%, due to higher retail prices. The increase in store operating expenses were partially offset by underperforming retail stores that we closed or converted to independent dealers.

For the year ended December 31, 2021 compared to the year ended December 31, 2020

For a discussion of the comparative results of operations for the years ended December 31, 2021 and 2020, refer to Part II, Item 7 “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 25, 2022, under the subheading “Retail Segment – For the year ended December 31, 2021 compared to the year ended December 31, 2020.”

Wholesale Segment

The table below shows the results of the wholesale segment for the years ended December 31, 2022, 2021 and 2020, together with certain key metrics for the segment.

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Revenues:			
Fuel revenue	\$ 3,234,145	\$ 2,659,706	\$ 508,175
Other revenues, net	23,451	22,298	9,335
Total revenues	3,257,596	2,682,004	517,510
Operating expenses:			
Fuel costs	3,181,189	2,620,102	499,371
Store operating expenses	42,543	39,904	14,616
Total operating expenses	3,223,732	2,660,006	513,987
Operating income	\$ 33,864	\$ 21,998	\$ 3,523
Fuel gallons sold - fuel supply locations	746,513	814,628	210,085
Fuel gallons sold - consignment agent locations	156,059	163,391	57,224
Fuel margin, cents per gallon ¹ - fuel supply locations	6.8	5.8	4.5
Fuel margin, cents per gallon ¹ - consignment agent locations	30.2	25.4	21.9

¹ Calculated as fuel revenue less fuel costs, divided by fuel gallons sold; excludes the estimated fixed margin or fixed fee paid to GPMP for the cost of fuel.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Wholesale Revenues

For the year ended December 31, 2022, fuel revenue increased by \$574.4 million, or 21.6%, compared to the year ended December 31, 2021. Wholesale revenues benefited from a significant increase in the average price of fuel in 2022 as compared to 2021, which was partially offset by a 7.7% reduction in gallons sold. The Quarles Acquisition contributed 11.1 million of our total gallons sold. Of the total increase in fuel revenue, approximately \$460.3 million of the increase, or 80.1%, was attributable to fuel supply locations.

Wholesale Operating Income

For the year ended December 31, 2022, fuel contribution increased by \$9.7 million (excluding intercompany charges by GPMP), of which approximately \$2.0 million was attributable to the Quarles Acquisition. At fuel supply locations, fuel contribution increased by \$4.2 million (excluding intercompany charges by GPMP), and fuel margin increased over 2021 primarily due to greater prompt pay discounts related to higher fuel costs, greater fuel rebates and contribution from the Quarles Acquisition. At consignment agent locations, fuel contribution increased \$5.5 million (excluding intercompany charges by GPMP) and fuel margin also increased over 2021 primarily due to greater prompt pay discounts related to higher fuel costs, greater fuel rebates, improved rack-to-retail margins and contribution from the Quarles Acquisition.

For the year ended December 31, 2022, store operating expenses increased \$2.6 million compared to the year ended December 31, 2021 primarily related to higher credit card fees and rent expenses in the current year, as well as incremental expenses as a result of the Quarles Acquisition.

For the year ended December 31, 2021 compared to the year ended December 31, 2020

For a discussion of the comparative results of operations for the years ended December 31, 2021 and 2020, refer to Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 25, 2022, under the subheading "Wholesale Segment – For the year ended December 31, 2021 compared to the year ended December 31, 2020."

Fleet Fueling Segment

The table below shows the results of the fleet fueling segment for the year ended December 31, 2022, together with certain key metrics for the segment. Because we added the fleet fueling segment only upon consummation of the Quarles Acquisition in July 2022, there are no comparable periods results for the years ended December 31, 2021 or 2020.

	For the Year Ended December 31, 2022	
	(in thousands)	
Revenues:		
Fuel revenue	\$	270,670
Other revenues, net		2,178
Total revenues		272,848
Operating expenses:		
Fuel costs		245,733
Store operating expenses		8,733
Total operating expenses		254,466
Operating income	\$	18,382
Fuel gallons sold – proprietary cardlock locations		57,104
Fuel gallons sold – third-party cardlock locations		2,882
Fuel margin, cents per gallon ¹ – proprietary cardlock locations		48.4
Fuel margin, cents per gallon ¹ – third-party cardlock locations		6.5

¹ Calculated as fuel revenue less fuel costs divided by fuel gallons sold; excludes the estimated fixed fee charged by GPMP to sites in the fleet fueling segment.

For the year ended December 31, 2022

Fleet Fueling Revenues

For the year ended December 31, 2022, fuel revenue was positively impacted by a high average price of diesel fuel in 2022 following the closing of the Quarles Acquisition.

Fleet Fueling Operating Income

For the year ended December 31, 2022, fuel contribution was approximately \$27.8 million (excluding intercompany charges by GPMP), and was positively impacted by historically high rack-to-retail margins, as well as fuel price volatility in the second half of 2022 following the closing of the Quarles Acquisition.

GPMP Segment

The table below shows the results of the GPMP segment for the years ended December 31, 2022, 2021 and 2020, together with certain key metrics for the segment.

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Revenues:			
Fuel revenue – inter-segment	\$ 5,674,516	\$ 4,384,227	\$ 1,706,233
Fuel revenue – external customers	5,160	5,734	3,923
Other revenues, net	1,024	1,092	897
Other revenues, net – inter-segment	3,651	—	—
Total revenues	5,684,351	4,391,053	1,711,053
Operating expenses:			
Fuel costs	5,585,050	4,289,092	1,653,667
General and administrative expenses	2,897	2,970	2,977
Depreciation and amortization	7,369	7,372	7,373
Total operating expenses	5,595,316	4,299,434	1,664,017
Operating income	\$ 89,035	\$ 91,619	\$ 47,036
Fuel gallons sold – inter-segment	1,890,946	2,015,907	1,200,658
Fuel gallons sold – external customers	1,592	2,626	2,892
Fuel margin, cents per gallon ¹	5.0	5.0	4.7

¹ Calculated as fuel revenue less fuel costs divided by fuel gallons sold.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

GPMP Revenues

For the year ended December 31, 2022, fuel revenue increased by \$1,289.7 million, or 29.4%, as compared to the year ended December 31, 2021. The increase in fuel revenue was attributable to a significant increase in the average price of fuel, which was partially offset by a decrease in gallons sold as compared to 2021.

For the years ended December 31, 2022 and 2021, other revenues, net were \$1.0 million and \$1.1 million, respectively, and primarily related to rental income from certain sites leased to independent dealers. Inter-segment other revenues, net related to the fixed fee primarily charged to sites in the fleet fueling segment (currently 5.0 cents per gallon sold), which began in July 2022 and were \$3.7 million for the year ended December 31, 2022.

GPMP Operating Income

Fuel margin decreased by \$6.2 million for the year ended December 31, 2022, as compared to the year ended December 31, 2021, primarily due to fewer gallons sold to the retail and wholesale segments at a fixed margin.

For the year ended December 31, 2022, total general, administrative, depreciation and amortization expenses were similar with those in the prior year.

For the year ended December 31, 2021 compared to the year ended December 31, 2020

For a discussion of the comparable results of operations for the years ended December 31, 2021 and 2020, refer to Part II, Item 7 “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 25, 2022, under the subheading “GPMP Segment – For the year ended December 31, 2021 compared to the year ended December 31, 2020.”

Use of Non-GAAP Measures

We disclose certain measures on a “same store basis,” which is a non-GAAP measure. Information disclosed on a “same store basis” excludes the results of any store that is not a “same store” for the applicable period. A store is considered a same store beginning in the first quarter in which the store had a full quarter of activity in the prior year. We believe that this information provides greater comparability regarding our ongoing operating performance. Neither this measure nor those described below should be considered an alternative to measurements presented in accordance with generally accepted accounting principles in the United States (“GAAP”).

We define EBITDA as net income before net interest expense, income taxes, depreciation and amortization. Adjusted EBITDA further adjusts EBITDA by excluding the gain or loss on disposal of assets, impairment charges, acquisition costs, other non-cash items, and other unusual or non-recurring charges. Adjusted EBITDA, net of incremental bonuses further adjusts Adjusted EBITDA by excluding incremental bonuses incurred for 2020 based on 2020 performance. Each of EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses is a non-GAAP financial measure.

We use EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses for operational and financial decision-making and believe these measures are useful in evaluating our performance because they eliminate certain items that we do not consider indicators of our operating performance. EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses are also used by many of our investors, securities analysts, and other interested parties in evaluating our operational and financial performance across reporting periods. We believe that the presentation of EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses provides useful information to investors by allowing an understanding of key measures that we use internally for operational decision-making, budgeting, evaluating acquisition targets, and assessing our operating performance.

EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses are not recognized terms under GAAP and should not be considered as a substitute for net income or any other financial measure presented in accordance with GAAP. These measures have limitations as analytical tools, and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP. We strongly encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

Because non-GAAP financial measures are not standardized, same store measures, EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses, as defined by us, may not be comparable to similarly titled measures reported by other companies. It therefore may not be possible to compare our use of these non-GAAP financial measures with those used by other companies.

The following table contains a reconciliation of net income to EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses for the years ended December 31, 2022, 2021 and 2020.

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Net income	\$ 71,978	\$ 59,427	\$ 30,639
Interest and other financing expenses, net	59,405	71,207	49,905
Income tax expense (benefit)	35,557	11,634	(1,499)
Depreciation and amortization	101,752	97,194	74,396
EBITDA	268,692	239,462	153,441
Non-cash rent expense (a)	7,903	6,359	7,051
Acquisition costs (b)	8,162	5,366	6,031
Loss on disposal of assets and impairment charges (c)	5,731	1,384	6,060
Share-based compensation expense (d)	12,161	5,804	1,891
Loss (income) from equity investment (e)	74	(186)	1,269
Fuel taxes paid in arrears (f)	—	—	819
Adjustment to contingent consideration (g)	(2,204)	(1,740)	(1,287)
Internal entity realignment and streamlining (h)	475	—	—
Other (i)	60	126	302
Adjusted EBITDA	\$ 301,054	\$ 256,575	\$ 175,577
Incremental bonuses (j)	—	—	7,815
Adjusted EBITDA, net of incremental bonuses	\$ 301,054	\$ 256,575	\$ 183,392

(a)Eliminates the non-cash portion of rent, which reflects the extent to which our GAAP rent expense recognized exceeds (or is less than) our cash rent payments. The GAAP rent expense adjustment can vary depending on the terms of our lease portfolio, which has been impacted by our recent acquisitions. For newer leases, our rent expense recognized typically exceeds our cash rent payments, while for more mature leases, rent expense recognized is typically less than our cash rent payments.

(b)Eliminates costs incurred that are directly attributable to historical business acquisitions and salaries of employees whose primary job function is to execute our acquisition strategy and facilitate integration of acquired operations.

(c)Eliminates the non-cash loss (gain) from the sale of property and equipment, the loss (gain) recognized upon the sale of related leased assets and impairment charges on property and equipment and right-of-use assets related to closed and non-performing sites.

(d)Eliminates non-cash share-based compensation expense related to the equity incentive program in place to incentivize, retain, and motivate our employees, certain non-employees, and members of our board of directors (the "Board").

(e)Eliminates our share of loss (income) attributable to our unconsolidated equity investment.

(f)Eliminates the payment of historical fuel tax liabilities owed for multiple prior periods.

(g)Eliminates fair value adjustments to the contingent consideration owed to the seller for the 2020 Empire Acquisition and owed by the seller in the 2019 acquisition of 64 sites from a third party ("Riiser").

(h)Eliminates non-recurring charges related to our internal entity realignment and streamlining.

(i)Eliminates other unusual or non-recurring items that we do not consider to be meaningful in assessing operating performance.

(j)Eliminates incremental bonuses based on 2020 performance.

Liquidity and Capital Resources

Our primary sources of liquidity are cash flows from operations, availability under our credit facilities and our cash balances. Our principal liquidity requirements are the financing of current operations, funding capital expenditures, including acquisitions, and servicing debt. We finance our inventory purchases primarily from customary trade credit aided by relatively rapid inventory turnover, as well as cash generated from operations. Rapid inventory turnover allows us to conduct operations without the need for large amounts of cash and working capital. We largely rely on internally generated cash flows and borrowings, which we believe are sufficient to meet our liquidity needs for the foreseeable future.

Our ability to meet our debt service obligations and other capital requirements, including capital expenditures, as well as the cost of acquisitions, will depend on our future operating performance which, in turn, will be subject to general economic, financial, business, competitive, legislative, regulatory and other conditions, many of which are beyond our control. As a normal part of our business, depending on market conditions, we will from time to time consider opportunities to repay, redeem, repurchase or refinance our indebtedness. Changes in our operating plans, lower than anticipated sales, increased expenses, acquisitions, or other events may

cause us to seek additional debt or equity financing in future periods. Additional debt financing could impose increased cash payment obligations, as well as covenants that may restrict our operations. There can be no guarantee that financing will be available on acceptable terms or at all.

As of December 31, 2022, we were in a strong liquidity position of approximately \$675 million, consisting of approximately \$299 million of cash and cash equivalents and approximately \$376 million of availability under our lines of credit. This liquidity position currently provides us with adequate funding to satisfy our contractual and other obligations from our existing cash balances. As of December 31, 2022, we had no outstanding borrowings under our \$140.0 million PNC Line of Credit (as defined below), \$0.9 million of unused availability under the M&T equipment line of credit, described below, and \$241.0 million of unused availability under our \$500.0 million Capital One Line of Credit (as defined below), which we can seek to increase up to \$700.0 million, subject to obtaining additional financing commitments from current lenders or other banks, and subject to certain other terms.

In 2022, we fully prepaid and terminated the GPMP PNC Term Loan (as defined below), using cash on hand and the proceeds from the sale of U.S. Treasuries that had previously been used to secure approximately 98% of the outstanding principal amount of such term loan.

The Board declared, and the Company paid, dividends of \$0.09 per share of common stock in 2022, totaling approximately \$10.9 million. The Board declared a quarterly dividend of \$0.03 per share of common stock, to be paid on March 21, 2023 to stockholders of record as of March 9, 2023. The amount and timing of dividends payable on our common stock are within the sole discretion of our Board, which will evaluate dividend payments within the context of our overall capital allocation strategy on an ongoing basis, giving consideration to our current and forecast earnings, financial condition, cash requirements and other factors. There can be no assurance that we will continue to pay such dividends or the amounts of such dividends.

In February 2022, we announced that our Board had authorized a share repurchase program for up to an aggregate of \$50 million of our outstanding shares of common stock. During the year ended December 31, 2022, we repurchased approximately 4.5 million shares of common stock under the repurchase program for approximately \$39.0 million, or an average share price of \$8.60. The share repurchase program does not have a stated expiration date. Whether and the extent to which we repurchase shares depends on a number of factors, including our financial condition, capital requirements, cash flows, results of operations, future business prospects and other factors management may deem relevant. The timing, volume, and nature of repurchases are subject to market conditions, applicable securities laws, and other factors, and the program may be amended, suspended or discontinued at any time. Repurchases may be effected from time to time through open market purchases, including pursuant to a pre-set trading plan meeting the requirements of Rule 10b5-1(c) of the Exchange Act, privately negotiated transactions, pursuant to accelerated share repurchase agreements entered into with one or more counterparties, or otherwise. In August 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (the "IRA"), which includes, among other provisions, a 1% excise tax on corporate stock repurchases in tax years beginning after December 31, 2022; in consideration of any further stock repurchases under our repurchase program, we intend to evaluate the impact of the IRA's 1% excise tax on stock repurchases in tax years beginning after December 31, 2022.

To date, we have funded capital expenditures primarily through funds generated from operations, funds received from vendors, sale-leaseback transactions, the issuance of debt, and existing cash. Future capital required to finance operations, acquisitions, and raze-and-rebuild, functionally and fully remodel and update stores is expected to come from cash on hand, cash generated by operations, availability under lines of credit, and additional long-term debt and equipment leases, as circumstances may dictate. In both the short-term and long-term, we currently expect that our capital spending program will be primarily focused on expanding our store base through acquisitions, razing-and-rebuilding, remodeling and updating stores, and maintaining our owned properties and equipment, including upgrading all fuel dispensers to be EMV-compliant. We expect to spend a total of approximately \$14 million in 2023 to upgrade substantially all our fuel dispensers to be EMV-compliant. We do not expect such capital needs to adversely affect liquidity.

Cash Flows for the Years Ended December 31, 2022, 2021 and 2020

Net cash provided by (used in) operating activities, investing activities and financing activities for the years ended December 31, 2022, 2021 and 2020 were as follows:

	For the Year Ended December 31,		
	2022	2021	2020
Net cash provided by (used in):	(in thousands)		
Operating activities	\$ 209,256	\$ 159,191	\$ 173,842
Investing activities	(175,488)	(171,777)	(407,551)
Financing activities	10,555	(26,384)	491,048
Effect of exchange rates	(97)	(1,464)	2,875
Total	\$ 44,226	\$ (40,434)	\$ 260,214

For the comparison of our cash flows for the years ended December 31, 2021 and 2020, refer to Part II, Item 7 “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 25, 2022, under the subheading “Cash Flows for the Years Ended December 31, 2021, 2020 and 2019.”

Operating Activities

Cash flows provided by operations are our main source of liquidity. We have historically relied primarily on cash provided by operating activities, supplemented as necessary from time to time by borrowings on our credit facilities and other debt or equity transactions to finance our operations and to fund our capital expenditures. Cash flow provided by operating activities is primarily impacted by our net income and changes in working capital.

For the year ended December 31, 2022, cash flows provided by operating activities were \$209.3 million compared to \$159.2 million for the year ended December 31, 2021. The increase was primarily the result of approximately \$8.2 million of lower net tax payments and an increase in Adjusted EBITDA primarily generated from an increase in merchandise and fuel contribution at same stores, as well as from the 2022 Acquisitions and the 2021 Acquisitions, which were partially offset by approximately \$4.6 million of higher net interest payments and changes in working capital primarily as a result of higher fuel costs.

Investing Activities

Cash flows used in investing activities primarily reflect capital expenditures for acquisitions and replacing and maintaining existing facilities and equipment used in the business.

For the year ended December 31, 2022, cash used for investing activities increased by \$3.7 million to \$175.5 million from \$171.8 million for the year ended December 31, 2021. For the year ended December 31, 2022, we spent \$98.6 million for capital expenditures, including the purchase of certain fee properties, bean-to-cup coffee equipment, upgrades to fuel dispensers and other investments in our stores. The net consideration paid for the 2022 Acquisitions was \$412.9 million, which included the \$331.0 million paid by the real estate fund involved in these transactions, of which \$55.0 million was included in financing activity, reflecting our net cash outflow of \$81.9 million. This decrease was partially offset by a \$58.9 million decrease in short-term investments of which \$31.8 million was used to repay long-term debt and the remainder converted into cash on hand.

Financing Activities

Cash flows from financing activities primarily consist of increases and decreases in the principal amount of our lines of credit and debt, distributions to non-controlling interests and issuance of common and preferred stock, net of dividends paid and common stock repurchases.

For the year ended December 31, 2022, financing activities consisted primarily of net borrowings of \$24.9 million for long-term debt, \$55.0 million of consideration paid by the real estate fund involved in the 2022 Acquisitions related to sale-leaseback transactions (see Note 4 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K), repayments of \$6.5 million for financing leases, \$5.9 million for additional consideration payments related to the 2020 Empire Acquisition, \$10.9 million for dividend payments on common stock, \$5.8 million for dividend payments on the Series A redeemable preferred stock and \$40.0 million for common stock repurchases.

Contractual Obligations and Indebtedness

Contractual Obligations

The table below presents our significant contractual obligations as of December 31, 2022:

Contractual Obligations (1)	Total	Obligations due by Period			
		Less than 1 year	1-3 years (in thousands)	3-5 years	More than 5 years
Debt obligations (2)	\$ 957,211	\$ 55,395	\$ 332,891	\$ 72,302	\$ 496,623
Additional and contingent consideration related to the Empire Acquisition (non-discounted)	14,390	5,969	8,421	—	—
Other financial obligations (3)	178,773	8,783	17,753	18,177	134,060
Operating lease obligations	2,162,803	151,974	307,458	305,183	1,398,188
Financing lease obligations	530,105	21,974	41,961	41,383	424,787
	\$ 3,843,282	\$ 244,095	\$ 708,484	\$ 437,045	\$ 2,453,658
Purchase commitments (in gallons) (4)	1,909,001	407,570	484,358	339,024	678,049

(1)Excludes asset retirement obligations due to the uncertain nature of the timing of these liabilities.

(2)Includes principal and interest payments. Assumes an interest rate of 6.6% on the \$258.3 million of the GPMP Capital One Line of Credit utilized as of December 31, 2022 and a zero balance on the PNC Line of Credit.

(3)Includes financial liabilities related to the 2022 Acquisitions and the 2021 acquisition of ExpressStop stores, assuming lease purchase option is not exercised.

(4)Our fuel vendor agreements with suppliers require minimum volume purchase commitments of branded and unbranded gasoline and distillates annually. The future minimum volume purchase requirements under the existing supply agreements are based on gallons, with a purchase price at prevailing market rates for wholesale distribution.

Credit Facilities and Senior Notes

Senior Notes

On October 21, 2021, the Company completed a private offering of \$450 million aggregate principal amount of 5.125% Senior Notes due 2029 (the "Senior Notes"). The Senior Notes are guaranteed, on an unsecured senior basis, by certain of the Company's wholly owned domestic subsidiaries (the "Guarantors"). The indenture governing the Senior Notes contains customary restrictive covenants that, among other things, generally limit the ability of the Company and substantially all of its subsidiaries to (i) create liens, (ii) pay dividends, acquire shares of capital stock and make payments on subordinated debt, (iii) place limitations on distributions from certain subsidiaries, (iv) issue or sell the capital stock of certain subsidiaries, (v) sell assets, (vi) enter into transactions with affiliates, (vii) effect mergers and (viii) incur indebtedness. The Senior Notes and the guarantees rank equally in right of payment with all of the Company's and the Guarantors' respective existing and future senior unsubordinated indebtedness and are effectively subordinated to all of the Company's and the Guarantors' existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness; and are structurally subordinated to any existing and future obligations of subsidiaries of the Company that are not Guarantors.

Financing Agreements with PNC

GPM and certain subsidiaries have a financing arrangement (as amended, the “PNC Credit Agreement”) with PNC Bank National Association (“PNC”) to provide a line of credit with an aggregate principal amount of up to \$140 million for purposes of financing working capital (the “PNC Line of Credit”).

On December 20, 2022, GPM entered into an eighth amendment to the PNC Credit Agreement (the “Eighth Amendment”) to effect the following primary changes: (1) extended the maturity date by five years to December 22, 2027; (2) replaced the London Interbank Offered Rate (“LIBOR”) with the CME Group’s forward-looking SOFR (as defined in the Eighth Amendment) as an interest rate benchmark, including the replacement of LIBOR Rate Loans, with interest periods of one, two and three months, with adjusted Term SOFR Rate Loans (as defined in the Eighth Amendment), with interest periods of one and three months; (3) revised certain negative covenants to provide additional flexibility, including increased fixed dollar baskets and introduction of basket increases based on average undrawn availability; (4) added cardlock receivables as a portion of the borrowing base under certain circumstances; and (5) increased certain thresholds for events of default.

Pursuant to the Eighth Amendment, the PNC Line of Credit bears interest, as elected by GPM at: (a) SOFR Adjusted plus Term SOFR (as defined in the agreement) plus a margin of 1.25% to 1.75% or (b) a rate per annum equal to the alternate base rate (as defined in the agreement) plus a margin of 0% to 0.50%. Every quarter, the SOFR margin rate and the alternate base rate margin rate are updated based on the quarterly average undrawn availability of the line of credit. The calculation of the availability under the PNC Line of Credit is determined monthly subject to terms and limitations as set forth in the PNC Credit Agreement, taking into account the balances of receivables, inventory and letters of credit, among other things. As of December 31, 2022, \$5.8 million of letters of credit were outstanding under the PNC Credit Agreement.

GPMP had a term loan with PNC in the aggregate principal amount of \$32.4 million (the “GPMP PNC Term Loan”), which was secured by U.S. Treasury or other investment grade securities equal to approximately 98% of the outstanding principal amount of the GPMP PNC Term Loan. The Company fully prepaid this term loan in the third quarter of 2022 utilizing proceeds from the sale of these securities and other cash on hand and terminated the term loan and security agreement governing such term loan.

Financing agreements with M&T Bank

GPM has a financing arrangement with M&T Bank to provide a three-year \$20.0 million line of credit for purchases of equipment, which line may be borrowed in tranches, as described below, and an aggregate principal amount of \$35.0 million of a real estate loan (the “M&T Term Loan”). As of December 31, 2022, approximately \$0.9 million remained available under the line of credit.

Each additional equipment loan tranche will have a three-year term, payable in equal monthly payments of principal plus interest, and will accrue a fixed rate of interest equal to M&T Bank’s three-year cost of funds as of the applicable date of such tranche, plus 3.00%. The M&T Term Loan bears interest at LIBOR plus 3.00%, mature in June 2026 and is payable in monthly installments based on a fifteen-year amortization schedule, with the balance of the loan payable at maturity.

Financing agreement with a syndicate of banks led by Capital One, National Association (“Capital One”)

GPMP has a revolving credit facility with a syndicate of banks led by Capital One, National Association, in an aggregate principal amount of up to \$500 million (as amended, the “Capital One Line of Credit”). At GPMP’s request, the Capital One Line of Credit can be increased up to \$700 million, subject to obtaining additional financing commitments from current lenders or from other banks, and subject to certain terms as detailed in the Capital One Line of Credit. As of December 31, 2022, approximately \$258.3 million was drawn on the Capital One Line of Credit, and approximately \$241.0 million was available thereunder.

On December 9, 2022, GPM entered into an amendment to the Capital One Line of Credit to replace LIBOR with SOFR as an interest rate benchmark. Pursuant to the amendment, the Capital One Line of Credit generally bears interest, as elected by GPMP at: (a) Adjusted Term SOFR (as defined in the agreement) plus a margin of 2.25% to 3.25% or (b) a rate per annum equal to the alternate base rate (as defined in the agreement) plus a margin of 1.25% to 2.25%. The margin is determined according to a formula in the Capital One Line of Credit that depends on GPMP’s leverage. As of December 31, 2022, \$0.7 million of letters of credit were outstanding under the Capital One Line of Credit.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with GAAP and the Company’s discussion and analysis of its financial condition and operating results require the Company’s management to make judgments, assumptions and estimates that affect the amounts reported. Note 2, “Summary of Significant Accounting Policies,” of the Notes to Consolidated

Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K describes the significant accounting policies and methods used in the preparation of the Company's consolidated financial statements. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. We believe the following critical accounting estimates affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Application of ASC 842, Leases ("ASC 842")

The lease liabilities and right-of-use assets are significantly impacted by the following:

- Our determination of whether it is reasonably certain that an extension option will be exercised.
- Our determination of whether it is reasonably certain a purchase option will be exercised.
- Some of the lease agreements include an increase in the consumer price index coupled with a multiplier and a percentage increase cap effectively assures the cap will be reached each year. We determine, based on past experience and consumer price index increase expectations, if these types of variable payments are in-substance fixed payments, in which case such payments are included in the lease payments and measurement of the lease liabilities.
- The discount rates used in the calculations of the right-of-use assets and lease liabilities are based on our incremental borrowing rates and are primarily affected by economic environment, differences in the duration of each lease and the nature of the leased asset.

Environmental provision and reimbursement assets

We estimate the anticipated environmental costs with respect to contamination arising from the operation of gasoline marketing operations and the use of aboveground and underground storage tanks as well as the costs of other exposures and recognize a liability when these losses are anticipated and can be reasonably estimated. Reimbursement for these expenses from various state underground storage tank trust funds or from insurance companies is recognized as an asset and included in other current assets or non-current assets, as appropriate. The scope of the reimbursement asset and liability is estimated by a third party at least twice a year and adjustments are made according to past experience, changing conditions and changes in governmental policies.

Liability for dismantling and removing aboveground and underground storage tanks and restoring the site on which the storage tanks are located

The liability is based on our estimates with respect to the external costs which will be necessary to remove the aboveground and underground storage tanks in the future, regulatory requirements, discount rate and an estimate of the length of the useful life of the storage tanks.

Property and equipment and amortizable intangible assets

We evaluate property and equipment and amortizable intangible assets for impairment when facts and circumstances indicate that the carrying values of such assets may not be recoverable. When evaluating for impairment, we first compare the carrying value of the asset to the asset's estimated future undiscounted cash flows. If the estimated undiscounted future cash flows are less than the carrying value of the asset, we determine if we have an impairment loss by comparing the carrying value of the asset to the asset's estimated fair value and recognize an impairment charge when the asset's carrying value exceeds its estimated fair value. The adjusted carrying amount of the asset becomes its new cost basis and is depreciated over the asset's remaining useful life.

Impairment of goodwill

We evaluate the need for impairment with regard to goodwill once a year or with greater frequency if there are indicators of impairment exist. Goodwill is tested for impairment by first comparing the fair value of a reporting unit with its carrying amount, including goodwill. The fair value of a reporting unit is determined according to assumptions and computations we set.

We perform an annual assessment to evaluate whether an impairment of goodwill exists. We performed the evaluation with the assistance of independent assessor which, for purposes of determining the fair value of the retail and GPMP reporting units to which the goodwill was attributed, utilized the income approach, namely, the present value of the future cash flows forecasted to be derived from the reporting units, as well as the market approach.

For the 2022 annual impairment test, the data used for the income approach was directly linked to our internal projections for 2023 through 2027. The long-term growth rate used in the terminal year was 1.1% for the GPMP reporting unit, and was 2.2% for the

retail reporting unit, in accordance with the relevant weighted average long-term nominal growth rate. The cash flows used assumed an unlevered, debt-free basis with no deduction for interest of debt principal to present the cash flows available for debt and equity holders. The discount rate for each reporting unit was determined based on the risk profile of each of the reporting units, and was derived from its weighted average cost of capital (“WACC”) as assessed by management with the assistance of an independent assessor. The WACC took into account both debt and equity. The discount rate applied to the cash flow projections for the GPMP and the retail reporting units was approximately 9.0% and 10.5%, respectively.

The impairment review was sensitive to changes in the key assumptions used. Our key assumptions included revenue and profit growth, capital expenditures, external industry data and past experiences. The major assumptions that could result in significant sensitivities were the discount rate, the long-term growth rate and capital expenditures. Sensitivity analyses were performed by applying various reasonable scenarios whereby the long-term growth rate and discount rate were adjusted within a reasonable range. None of the sensitivity scenarios indicated a potential impairment in any of the reporting units.

Deferred tax assets

We account for income taxes and the related accounts in accordance with FASB ASC Topic 740, Income Taxes (“ASC 740”). Deferred tax liabilities and assets are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted rates expected to be in effect during the year in which the differences reverse. Deferred tax assets are recognized for future tax benefits and credit carryforwards to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. We periodically assess the likelihood that we will be able to recover our deferred tax assets and reflect any changes in estimates in the valuation allowance. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all, of the deferred tax assets will not be realized.

We are required to make judgments, estimates and assumptions to establish the amount of deferred tax assets to be recognized based on timing differences, the expected taxable income and its sources and the tax planning strategy.

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

Commodity Price Risk

We have limited exposure to commodity price risk as a result of the payment and volume-related discounts in certain of our fuel supply contracts with our fuel suppliers, which are based on the market price of motor fuel. Significant increases in fuel prices could result in significant increases in the retail price of fuel and in lower sales to consumers and independent dealers. When fuel prices rise, some of our independent dealers may have insufficient credit to purchase fuel from us at their historical volumes. In addition, significant and persistent increases in the retail price of fuel could also diminish consumer demand, which could subsequently diminish the volume of fuel we distribute. A significant percentage of our sales are made with the use of credit cards. Because the interchange fees we pay when credit cards are used to make purchases are based on transaction amounts, higher fuel prices at the pump and higher gallon movements result in higher credit card expenses. These additional fees increase operating expenses. Prior to the Quarles Acquisition, we did not engage in any fuel price hedging. In connection with the Quarles Acquisition, we began to make use of derivative commodity instruments to manage risks associated with an immaterial number of gallons designed to offset changes in the price of fuel that are directly tied to firm commitments to purchase diesel fuel.

Interest Rate Risk

We may be subject to market risk from exposure to changes in interest rates based on our financing, investing, and cash management activities. The Senior Notes bear a fixed interest rate, therefore, an increase or decrease in prevailing interest rates has no impact on our debt service for the Senior Notes. As of December 31, 2022, the interest rate on our Capital One Line of Credit was 6.6% and the interest rate on our M&T Term Loan was 7.3%. As of December 31, 2021, the interest rate on our Capital One Line of Credit was 3.4% and the interest rate on our M&T Term Loan was 3.1%. As of December 31, 2022, approximately 38% of our debt bore interest at variable rates, therefore, our exposure was relatively low. If our applicable interest rates increase by 1%, then our debt service on an annual basis would increase by approximately \$2.9 million. Interest rates on commercial bank borrowings and debt offerings could be higher than current levels, causing our financing costs to increase accordingly. Although this could limit our ability to raise funds in the debt capital markets, we expect to remain competitive with respect to acquisitions and capital projects, as our competitors would likely face similar circumstances. For additional information regarding our interest rate risk, see “*Risk Factors—Risks Related to Our Business and Industry—Our variable rate debt could adversely affect our financial condition and results of operations.*”

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that are designed to ensure that information that would be required to be disclosed in Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision, and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2022. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2022, and designed to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined effective could provide only reasonable assurance with respect to financial statement preparation and presentation.

Management under the supervision of, and with the participation of the Company’s principal executive and principal financial officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2022 based on the framework and criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. The Company acquired certain assets (comprising a business) from Quarles Petroleum, Incorporated in a business combination on July 22, 2022 and acquired all of the issued and outstanding membership interests in Pride Convenience Holdings, LLC on December 6, 2022. As these acquisitions occurred in the second half of 2022, the scope of the Company’s assessment of the design and effectiveness of internal control over financial reporting for 2022 excluded the above mentioned acquisitions. This exclusion is in accordance with the SEC’s general guidance that an assessment of a recently acquired business may be omitted from the scope in the year of acquisition. Both of these acquisitions are included in the Company’s consolidated financial statements as of and for the year ended December 31, 2022 included in this Annual Report on Form 10-K. These acquisitions collectively represented approximately 13% and 4% of Company’s total consolidated assets and revenues, respectively, as of and for the year ended December 31, 2022.

Based on the foregoing, management concluded that the Company’s internal control over financial reporting was effective as of December 31, 2022 based on the specified criteria.

Our internal control over financial reporting as of December 31, 2022 has been audited by Grant Thornton LLP, an independent registered public accounting firm, as stated in their report, which appears in Item 8. “Financial Statements and Supplementary Data.”

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information about directors required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2023 Annual Meeting of Stockholders.

We have adopted a code of business conduct and ethics, called the Code of Business Conduct and Ethics, that applies to all of our directors, officers, including our principal executive, financial and accounting officers, and employees. The full text of the Code of Business Conduct and Ethics is available in the Governance section of our website at www.arkocorp.com under the tab "Governance" and is available in print to any stockholder who requests it. We intend to provide amendments or waivers to our Code of Business Conduct and Ethics for any of our directors and principal officers on our website within four business days after such amendment or waiver. The reference to our website address does not constitute incorporation by reference of any of the information contained on the website, and such information is not a part of this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2023 Annual Meeting of Stockholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2023 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2023 Annual Meeting of Stockholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2023 Annual Meeting of Stockholders.

PART IV.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

(a) (1) Financial Statements: See Part II, Item 8 of this report.

(2) Schedule I - Condensed Financial Information of Registrant. Additionally, the financial statement schedule entitled "Schedule II – Valuation and Qualifying Accounts" has been omitted since the information required is included in the consolidated financial statements and notes thereto. Other schedules are omitted because they are not required.

(3) Exhibits: See below.

<u>Exhibit No.</u>	<u>Description</u>
2.1	<u>Business Combination Agreement, dated as of September 8, 2020, by and among Haymaker Acquisition Corp. II, ARKO Corp., Punch US Sub. Inc., Punch Sub Ltd. and ARKO Holdings Ltd. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K, filed on December 31, 2020).</u>
2.2	<u>Consent and Amendment No. 1 to the Business Combination Agreement, dated as of November 18, 2020, by and among Haymaker, New Parent, Merger Sub I, Merger Sub II and Arko (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K, filed with the SEC on November 19, 2020 by Haymaker Acquisition Corp. II (File No. 001-38931)).</u>
2.3	<u>Equity Purchase Agreement, dated as of September 8, 2020, by and among ARKO Corp. and each of the persons or entities listed on Exhibit B thereto (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K, filed on September 9, 2020 (9:31 a.m.), by Haymaker Acquisition Corp. II (File No. 001-38931)).</u>
2.4*	<u>Asset Purchase Agreement, dated as of September 9, 2022, by and among GPM Investments, LLC, Transit Energy Group, LLC and the other parties thereto (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K, filed on September 12, 2022).</u>
2.5*	<u>Purchase and Sale Agreement, dated as of October 19, 2022, by and between GPM Investments, LLC and Pride Parent, LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K, filed on October 24, 2022).</u>
2.6*	<u>First Amendment to Purchase and Sale Agreement, dated December 5, 2022, by and between GPM Investments, LLC and Pride Parent LLC</u>
3.1	<u>Composite Amended and Restated Certificate of Incorporation of ARKO Corp. (incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q, filed on August 8, 2022).</u>
3.2	<u>Bylaws of ARKO Corp. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K, filed on December 31, 2020).</u>
4.1	<u>Warrant Assignment, Assumption and Amendment Agreement, dated as of December 22, 2020, by and among Haymaker, ARKO Corp. and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed on December 31, 2020).</u>
4.2	<u>Registration Rights and Lock-up Agreement, dated as of December 22, 2020, by and among ARKO Corp. and each of the persons or entities listed on Schedule A thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on December 31, 2020).</u>
4.3	<u>Form of ARKO Corp. Warrant (incorporated by reference to Exhibit 4.4 to the proxy statement/prospectus on Form S-4/A, filed with the SEC on November 6, 2020).</u>
4.4	<u>Description of Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.4 to the Annual Report on Form 10-K, filed on March 25, 2021).</u>
4.5	<u>Warrant Agreement, dated June 6, 2019, by and between the Haymaker Acquisition Corp. II and Continental Stock Transfer & Trust Company, as warrant agent, (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K, filed with the SEC on June 12, 2019, by Haymaker Acquisition Corp. II (File No. 001-38931)).</u>
4.6	<u>Indenture, dated October 21, 2021, by and among ARKO Corp., the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K, filed on October 26, 2021).</u>
4.7	<u>Form of 5.125% Senior Note due 2029 (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K, filed on October 26, 2021).</u>
10.1	<u>Form of Indemnification for Directors and Officers (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K, filed with the Commission on December 31, 2020).</u>
10.2	<u>ARKO Corp. 2020 Incentive Compensation Plan (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K, filed with the Commission on December 31, 2020).</u>
10.3**	<u>Employment Agreement, dated as of September 8, 2020, by and between ARKO Corp. and Arie Kotler (incorporated by reference to Exhibit 10.11 to the proxy statement/prospectus on Form S-4/A, filed with the SEC on November 6, 2020).</u>

- 10.4 [Amended and Restated Credit Agreement, dated July 15, 2019, by and among GPM Petroleum LP, the guarantors party thereto, Capital One, National Association, Keybank National Association, Santander Bank, N.A., and the lenders party thereto \(incorporated by reference to Exhibit 10.18 to the proxy statement/prospectus on Form S-4/A, filed with the SEC on November 6, 2020\).](#)
- 10.5 [Increase Agreement and Amendment, dated March 31, 2020, by and among the incremental lenders party thereto, the lenders party thereto, GPM Petroleum LP, the guarantors party thereto, and Capital One, National Association \(incorporated by reference to Exhibit 10.19 to the proxy statement/prospectus on Form S-4/A, filed with the SEC on November 6, 2020\).](#)
- 10.6 [Letter Agreement dated June 15, 2018, by and between Grocery Supply Company and GPM Southeast, LLC \(incorporated by reference to Exhibit 10.45 to the proxy statement/prospectus on Form S-4/A, filed with the SEC on November 6, 2020\).](#)
- 10.7 [Third Amended and Restated Agreement of Limited Partnership of GPM Petroleum LP, dated December 3, 2019 by and among GPM Petroleum GP, LLC and the limited partners party thereto \(incorporated by reference to Exhibit 10.55 to the proxy statement/prospectus on Form S-4/A, filed with the SEC on November 6, 2020\).](#)
- 10.8** [Form of Restricted Stock Unit Agreement under the Company's 2020 Incentive Compensation Plan \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on March 8, 2021 \(filed at 4:58 p.m. EST\)\).](#)
- 10.9** [Form of Director Restricted Stock Unit Agreement under the Company's 2020 Incentive Compensation Plan \(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed on March 8, 2021 \(filed at 4:58 p.m. EST\)\).](#)
- 10.10** [Form of Performance-Based RSU Award Agreement under the Company's 2020 Incentive Compensation Plan \(incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K, filed on March 8, 2021 \(filed at 4:58 p.m. EST\)\).](#)
- 10.11** [Nonqualified Stock Option Agreement with Arie Kotler under the Company's 2020 Incentive Compensation Plan \(incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K, filed on March 8, 2021 \(filed at 4:58 p.m. EST\)\).](#)
- 10.12** [Employment Agreement, dated as of January 3, 2020, by and between GPM INVESTMENTS, LLC and Maury Bricks. \(incorporated by reference to Exhibit 10.53 to the Annual Report on Form 10-K, filed on March 25, 2021\).](#)
- 10.13** [Amended and Restated Employment Agreement, dated as of August 4, 2020, by and between GPM INVESTMENTS, LLC and Donald Polk Bassell \(incorporated by reference to Exhibit 10.54 to the Annual Report on Form 10-K, filed on March 25, 2021\).](#)
- 10.14 [Fourth Amendment to Third Amended, Restated and Consolidated Revolving Credit and Security Agreement, dated April 30, 2021, by and among GPM Investments, LLC and certain of its subsidiaries as other borrowers and guarantors thereto, the lenders party thereto and PNC Bank, National Association \(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed on May 6, 2021 \(filed at 4:36 p.m. EDT\)\).](#)
- 10.15* [Standby Real Estate Purchase, Designation and Lease Program, dated as of May 3, 2021, by and between GPM Investments, LLC and Oak Street Real Estate Capital Net Lease Property Fund, LP. \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on May 6, 2021 \(filed at 4:30 p.m. EDT\)\).](#)
- 10.16 [First Amendment to Standby Real Estate Purchase, Designation and Lease Program, dated as of April 7, 2022, by and between GPM Investments, LLC and GPM Portfolio Owner LLC. \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on April 13, 2022\).](#)
- 10.17 [Master Supply Agreement, dated as of May 24, 2021, by and between GPM Investments, LLC and Core-Mark International, Inc \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on May 27, 2021\).](#)
- 10.18 [Second Amended, Restated and Consolidated Credit Agreement, dated June 24, 2021, by and among GPM Investments, LLC, and the other borrowers party thereto and M&T Bank \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on June 24, 2021\).](#)
- 10.19 [Second Amended and Restated Master Covenant Agreement, dated June 24, 2021, by and between GPM Investments, LLC and M&T Bank \(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed on June 24, 2021\).](#)
- 10.20 [Purchase Agreement, dated October 14, 2021 \(incorporated by reference to Exhibit 1.1 to the Current Report on Form 8-K, filed on October 18, 2021\).](#)
- 10.21 [Fifth Amendment to Third Amended, Restated and Consolidated Revolving Credit and Security Agreement, dated October 14, 2021, by and among GPM Investments, LLC and certain of its subsidiaries as other borrowers and guarantors thereto, the lenders party thereto and PNC Bank, National Association \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K, filed on October 18, 2021\).](#)
- 10.22* [Sixth Amendment and Joinder to Third Amended, Restated and Consolidated Revolving Credit and Security Agreement, dated July 22, 2022, by and among GPM Investments, LLC and certain of its subsidiaries as other borrowers and guarantors thereto, the lenders party thereto and PNC Bank, National Association \(incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on August 8, 2022\).](#)
- 10.23** [Amended and Restated Employment Agreement, dated as of January 1, 2020, by and between GPM INVESTMENTS, LLC and Eyal Nuchamovitz \(incorporated by reference to Exhibit 10.28 to the Annual Report on Form 10-K, filed on February 25, 2022\).](#)

10.24	<u>Amendment to Second Amended, Restated and Consolidated Credit Agreement, dated October 14, 2021, by and among GPM Investments, LLC, and the other borrowers party thereto and M&T Bank (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K, filed on October 18, 2021).</u>
10.25	<u>Amendment to Second Amended and Restated Master Covenant Agreement, dated October 14, 2021, by and between GPM Investments, LLC and M&T Bank (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K, filed on October 18, 2021).</u>
10.26	<u>Second Amendment to the Second Amended and Restated Master Covenant Agreement, dated October 3, 2022, by and between GPM Investments, LLC and M&T Bank (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on November 7, 2022).</u>
10.27	<u>Seventh Amendment and Joinder to Third Amended, Restated and Consolidated Revolving Credit and Security Agreement, dated December 6, 2022, by and among GPM Investments, LLC and certain of its subsidiaries as other borrowers and guarantors thereto, the lenders party thereto and PNC Bank, National Association.</u>
10.28	<u>Eight Amendment to Third Amended, Restated and Consolidated Revolving Credit and Security Agreement, dated December 20, 2022, by and among GPM Investments, LLC and certain of its subsidiaries as other borrowers and guarantors thereto, the lenders party thereto and PNC Bank, National Association (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 22, 2022).</u>
10.29	<u>Second Amendment to the Amended and Restated Credit Agreement, dated December 9, 2022, by and among GPM Petroleum LP, the guarantors party thereto, Capital One, National Association, Keybank National Association, Santander Bank, N.A., and the lenders party thereto.</u>
21.1	<u>List of Subsidiaries</u>
23.1	<u>Consent of Grant Thornton LLP</u>
31.1	<u>Certification of Principal Executive Officer of ARKO Corp. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
31.2	<u>Certification of Principal Financial Officer of ARKO Corp. pursuant to Section 302 of the Sarbanes-Oxley act of 2002</u>
32.1	<u>Certification of Principal Executive Officer of ARKO Corp. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
32.2	<u>Certification of Principal Financial Officer of ARKO Corp. pursuant to Section 906 of the Sarbanes-Oxley act of 2002</u>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Inline XBRL for the cover page of this Annual Report on Form 10-K, included in the Exhibit 101 Inline XBRL Document Set.

* Pursuant to Item 601(b)(10)(iv) of Regulation S-K, portions of this exhibit have been omitted because the Company customarily and actually treats the omitted portions as private or confidential, and such portions are not material and would likely cause competitive harm to the Company if publicly disclosed. The Company will supplementally provide a copy of an unredacted copy of this exhibit to the U.S. Securities and Exchange Commission or its staff upon request.

** Indicates management contract or compensatory plan arrangement.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 27, 2023

ARKO CORP.

By: /s/ Arie Kotler
Arie Kotler
President, Chief Executive Officer and
Chairman of the Board

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Arie Kotler</u> Arie Kotler	President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	February 27, 2023
<u>/s/ Donald Bassell</u> Donald Bassell	Chief Financial Officer (Principal Financial and Accounting Officer)	February 27, 2023
<u>/s/ Sherman K. Edmiston III</u> Sherman K. Edmiston III	Director	February 27, 2023
<u>/s/ Michael J. Gade</u> Michael J. Gade	Director	February 27, 2023
<u>/s/ Andrew R. Heyer</u> Andrew R. Heyer	Director	February 27, 2023
<u>/s/ Steven J. Heyer</u> Steven J. Heyer	Director	February 27, 2023
<u>/s/ Starlette Johnson</u> Starlette Johnson	Director	February 27, 2023
<u>/s/ Morris Willner</u> Morris Willner	Director	February 27, 2023

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
ARKO Corp.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of ARKO Corp. and subsidiaries (the “Company”) as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended December 31, 2022, and the related notes and financial statement schedule I included under Item 15 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2022, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 27, 2023 expressed an unqualified opinion.

Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ GRANT THORNTON LLP

We have served as the Company’s auditor since 2003.

Charlotte, North Carolina
February 27, 2023

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
ARKO Corp.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of ARKO Corp. and subsidiaries (the “Company”) as of December 31, 2022, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended December 31, 2022, and our report dated February 27, 2023 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Our audit of, and opinion on, the Company’s internal control over financial reporting does not include the internal control over financial reporting of (i) certain assets (comprising a business) acquired from Quarles Petroleum, Incorporated and (ii) Pride Convenience Holdings, LLC (collectively, the “Acquisitions”), whose financial statements reflect total assets and revenues constituting 13% and 4%, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2022. As indicated in Management’s Report on Internal Control over Financial Reporting, the acquisitions of (i) certain assets (comprising a business) from Quarles Petroleum, Incorporated and (ii) all of the membership interests of Pride Convenience Holdings, LLC occurred during 2022. Management’s assertion on the effectiveness of the Company’s internal control over financial reporting excluded internal control over financial reporting of the Acquisitions.

Definition and limitations of internal control over financial reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Charlotte, North Carolina
February 27, 2023

ARKO Corp.
Consolidated Balance Sheets
(in thousands)

	As of December 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 298,529	\$ 252,141
Restricted cash	18,240	20,402
Short-term investments	2,400	58,807
Trade receivables, net	118,140	62,342
Inventory	221,951	197,836
Other current assets	87,873	92,095
Total current assets	747,133	683,623
Non-current assets:		
Property and equipment, net	645,809	548,969
Right-of-use assets under operating leases	1,203,188	1,064,982
Right-of-use assets under financing leases, net	182,113	192,378
Goodwill	217,297	197,648
Intangible assets, net	197,123	185,993
Equity investment	2,924	2,998
Deferred tax asset	22,728	41,047
Other non-current assets	36,855	24,637
Total assets	\$ 3,255,170	\$ 2,942,275
Liabilities		
Current liabilities:		
Long-term debt, current portion	\$ 11,944	\$ 40,384
Accounts payable	217,370	172,918
Other current liabilities	154,097	137,488
Operating leases, current portion	57,563	51,261
Financing leases, current portion	5,457	6,383
Total current liabilities	446,431	408,434
Non-current liabilities:		
Long-term debt, net	740,043	676,625
Asset retirement obligation	64,909	58,021
Operating leases	1,218,045	1,076,905
Financing leases	225,907	229,215
Deferred tax liability	—	2,546
Other non-current liabilities	178,945	136,853
Total liabilities	2,874,280	2,588,599
Commitments and contingencies - see Note 13		
Series A redeemable preferred stock (no par value) - authorized: 1,000 shares; issued and outstanding: 1,000 shares and 1,000 shares, respectively; redemption value: \$100,000 and \$100,000, in the aggregate respectively	100,000	100,000
Shareholders' equity:		
Common stock (par value \$0.0001) - authorized: 400,000 shares; issued: 124,727 and 124,428 shares, respectively; outstanding: 120,074 and 124,428 shares, respectively	12	12
Treasury stock, at cost - 4,653 and 0 shares, respectively	(40,042)	—
Additional paid-in capital	229,995	217,675
Accumulated other comprehensive income	9,119	9,119
Retained earnings	81,750	26,646
Total shareholders' equity	280,834	253,452
Non-controlling interest	56	224
Total equity	280,890	253,676
Total liabilities, redeemable preferred stock and equity	\$ 3,255,170	\$ 2,942,275

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Consolidated Statements of Operations
(in thousands, except per share data)

	For the Year Ended December 31,		
	2022	2021	2020
Revenues:			
Fuel revenue	\$ 7,401,090	\$ 5,714,333	\$ 2,452,401
Merchandise revenue	1,647,642	1,616,404	1,494,342
Other revenues, net	94,067	86,661	63,489
Total revenues	9,142,799	7,417,398	4,010,232
Operating expenses:			
Fuel costs	6,856,651	5,275,907	2,131,416
Merchandise costs	1,146,423	1,143,494	1,088,032
Store operating expenses	721,174	630,518	532,422
General and administrative expenses	139,969	124,667	94,424
Depreciation and amortization	101,752	97,194	74,396
Total operating expenses	8,965,969	7,271,780	3,920,690
Other expenses, net	9,816	3,536	9,228
Operating income	167,014	142,082	80,314
Interest and other financial income	3,178	3,005	1,768
Interest and other financial expenses	(62,583)	(74,212)	(51,673)
Income before income taxes	107,609	70,875	30,409
Income tax (expense) benefit	(35,557)	(11,634)	1,499
(Loss) income from equity investment	(74)	186	(1,269)
Net income	\$ 71,978	\$ 59,427	\$ 30,639
Less: Net income attributable to non-controlling interests	231	229	16,929
Net income attributable to ARKO Corp.	\$ 71,747	\$ 59,198	\$ 13,710
Accretion of redeemable preferred stock	—	—	(3,120)
Series A redeemable preferred stock dividends	(5,750)	(5,735)	(157)
Net income attributable to common shareholders	\$ 65,997	\$ 53,463	\$ 10,433
Net income per share attributable to common shareholders - basic	\$ 0.54	\$ 0.43	\$ 0.15
Net income per share attributable to common shareholders - diluted	\$ 0.53	\$ 0.42	\$ 0.15
Weighted average shares outstanding:			
Basic	121,476	124,412	71,074
Diluted	123,224	125,437	71,074

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Consolidated Statements of Comprehensive Income
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Net income	\$ 71,978	\$ 59,427	\$ 30,639
Other comprehensive income:			
Foreign currency translation adjustments	—	—	4,675
Total other comprehensive income	—	—	4,675
Comprehensive income	\$ 71,978	\$ 59,427	\$ 35,314
Less: Comprehensive income attributable to non-controlling interests	231	229	16,929
Comprehensive income attributable to ARKO Corp.	<u>\$ 71,747</u>	<u>\$ 59,198</u>	<u>\$ 18,385</u>

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Consolidated Statements of Changes in Equity
(in thousands)

	Common Stock		Treasury		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total Shareholders' Equity	Non- Controlling Interests	Total Equity
	Shares	Par Value	Stock, at Cost							
Balance at December 31, 2019	65,541	\$ 6	\$ —	\$ 104,686	\$ 4,444	\$ (43,363)	\$ 65,773	\$ 129,117	\$ 194,890	
Share-based compensation	—	—	—	1,891	—	—	1,891	—	1,891	
Vesting and exercise of restricted share units	187	—	—	—	—	—	—	—	—	
Issuance of shares to employees	200	—	—	—	—	—	—	—	—	
Conversion of convertible bonds	29	—	—	137	—	—	137	—	137	
Issuance of rights	5,749	1	—	11,324	—	—	11,325	—	11,325	
Transactions with non-controlling interests	—	—	—	6,361	—	—	6,361	11,469	17,830	
Purchase of non-controlling interest in GPMP	—	—	—	(19,092)	—	—	(19,092)	(73,982)	(93,074)	
Distributions to non-controlling interests	—	—	—	—	—	—	—	(8,710)	(8,710)	
Issuance of shares - Merger Transaction and purchase of GPM Minority, net of \$41.8 million issuance costs, of which \$10.4 million was paid in the form of common stock	52,426	5	—	110,073	—	—	110,078	(74,984)	35,094	
Accretion and accrued dividends on redeemable preferred stock	—	—	—	(3,277)	—	—	(3,277)	—	(3,277)	
Other comprehensive income	—	—	—	—	4,675	—	4,675	—	4,675	
Net income	—	—	—	—	—	13,710	13,710	16,929	30,639	
Balance at December 31, 2020	124,132	\$ 12	\$ —	\$ 212,103	\$ 9,119	\$ (29,653)	\$ 191,581	\$ (161)	\$ 191,420	
Share-based compensation	—	—	—	5,804	—	—	5,804	—	5,804	
Transactions with non-controlling interests	—	—	—	(396)	—	—	(396)	396	—	
Distributions to non-controlling interests	—	—	—	—	—	—	—	(240)	(240)	
Dividends on redeemable preferred stock	—	—	—	(2,836)	—	(2,899)	(5,735)	—	(5,735)	
Issuance of shares	296	—	—	3,000	—	—	3,000	—	3,000	
Net income	—	—	—	—	—	59,198	59,198	229	59,427	
Balance at December 31, 2021	124,428	\$ 12	\$ —	\$ 217,675	\$ 9,119	\$ 26,646	\$ 253,452	\$ 224	\$ 253,676	
Share-based compensation	—	—	—	12,161	—	—	12,161	—	12,161	
Transactions with non-controlling interests	—	—	—	159	—	—	159	(159)	—	
Distributions to non-controlling interests	—	—	—	—	—	—	—	(240)	(240)	
Dividends on redeemable preferred stock	—	—	—	—	—	(5,750)	(5,750)	—	(5,750)	
Dividends declared (9 cents per share)	—	—	—	—	—	(10,893)	(10,893)	—	(10,893)	
Common stock repurchased	(4,653)	—	(40,042)	—	—	—	(40,042)	—	(40,042)	
Vesting of restricted share units	286	—	—	—	—	—	—	—	—	
Issuance of shares to employees	13	—	—	—	—	—	—	—	—	
Net income	—	—	—	—	—	71,747	71,747	231	71,978	
Balance at December 31, 2022	120,074	\$ 12	\$ (40,042)	\$ 229,995	\$ 9,119	\$ 81,750	\$ 280,834	\$ 56	\$ 280,890	

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Consolidated Statements of Cash Flows
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Cash flows from operating activities:			
Net income	\$ 71,978	\$ 59,427	\$ 30,639
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	101,752	97,194	74,396
Deferred income taxes	22,300	4,848	(4,747)
Loss on disposal of assets and impairment charges	5,731	1,384	6,060
Foreign currency loss (gain)	227	(1,320)	6,754
Amortization of deferred financing costs, debt discount and premium	2,514	9,304	2,236
Amortization of deferred income	(9,724)	(10,327)	(7,650)
Accretion of asset retirement obligation	1,833	1,705	1,359
Non-cash rent	7,903	6,359	7,051
Charges to allowance for credit losses	659	601	260
Loss (income) from equity investment	74	(186)	1,269
Share-based compensation	12,161	5,804	1,891
Fair value adjustment of financial assets and liabilities	(3,396)	3,821	(1,014)
Other operating activities, net	775	677	115
Changes in assets and liabilities:			
Increase in trade receivables	(50,229)	(16,003)	(24,010)
(Increase) decrease in inventory	(6,850)	(21,816)	6,618
Decrease (increase) in other assets	1,476	(5,421)	(7,864)
Increase in accounts payable	31,645	16,813	26,893
Increase in other current liabilities	6,884	7,867	46,303
Decrease in asset retirement obligation	(95)	(130)	(393)
Increase (decrease) in non-current liabilities	11,638	(1,410)	7,676
Net cash provided by operating activities	<u>\$ 209,256</u>	<u>\$ 159,191</u>	<u>\$ 173,842</u>

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Consolidated Statements of Cash Flows (cont'd)
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Cash flows from investing activities:			
Purchase of property and equipment	\$ (98,595)	\$ (226,205)	\$ (44,646)
Purchase of intangible assets	(176)	(246)	(30)
Proceeds from sale of property and equipment	287,901	284,854	1,302
Business acquisitions, net of cash	(419,726)	(203,070)	(363,988)
Prepayment for WTG Acquisition	(4,000)	—	—
Decrease (increase) of investments, net	58,934	(27,110)	—
Loans to equity investment, net	174	—	(189)
Net cash used in investing activities	(175,488)	(171,777)	(407,551)
Cash flows from financing activities:			
Receipt of long-term debt, net	70,896	484,089	570,207
Repayment of debt	(45,948)	(531,834)	(58,792)
Lines of credit, net	—	—	(83,515)
Repayment of related-party loans	—	—	(4,517)
Buyback of long-term debt	—	—	(1,995)
Principal payments on financing leases	(6,543)	(8,094)	(8,116)
Proceeds from sale-leaseback	54,988	44,188	—
Proceeds from issuance of rights, net	—	—	11,332
Purchase of non-controlling interest in GPMP	—	—	(99,048)
Investment of non-controlling interest in subsidiary	—	—	19,325
Payment of Additional Consideration	(5,913)	(3,828)	—
Payment of Merger Transaction issuance costs	—	(4,773)	—
Common stock repurchased	(40,042)	—	—
Issuance of shares in Merger Transaction	—	—	57,997
Issuance of redeemable preferred stock, net	—	—	96,880
Dividends paid on common stock	(10,893)	—	—
Dividends paid on redeemable preferred stock	(5,750)	(5,892)	—
Distributions to non-controlling interests	(240)	(240)	(8,710)
Net cash provided by (used in) financing activities	10,555	(26,384)	491,048
Net increase (decrease) in cash and cash equivalents and restricted cash	44,323	(38,970)	257,339
Effect of exchange rate on cash and cash equivalents and restricted cash	(97)	(1,464)	2,875
Cash and cash equivalents and restricted cash, beginning of year	272,543	312,977	52,763
Cash and cash equivalents and restricted cash, end of year	\$ 316,769	\$ 272,543	\$ 312,977
Reconciliation of cash and cash equivalents and restricted cash			
Cash and cash equivalents, beginning of year	\$ 252,141	\$ 293,666	\$ 32,117
Restricted cash, beginning of year	20,402	16,529	14,423
Restricted cash with respect to bonds, beginning of year	—	2,782	6,223
Cash and cash equivalents and restricted cash, beginning of year	\$ 272,543	\$ 312,977	\$ 52,763
Cash and cash equivalents, end of year	\$ 298,529	\$ 252,141	\$ 293,666
Restricted cash, end of year	18,240	20,402	16,529
Restricted cash with respect to bonds, end of year	—	—	2,782
Cash and cash equivalents and restricted cash, end of year	\$ 316,769	\$ 272,543	\$ 312,977

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Consolidated Statements of Cash Flows (cont'd)
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Supplementary cash flow information:			
Cash received for interest	\$ 1,964	\$ 428	\$ 1,323
Cash paid for interest	57,653	51,495	40,026
Cash received for taxes	283	226	1,856
Cash paid for taxes	6,747	14,912	1,163
Supplementary noncash activities:			
Prepaid insurance premiums financed through notes payable	6,668	8,210	7,224
Purchases of equipment in accounts payable and accrued expenses	9,007	7,569	4,805
Purchase of property and equipment under leases	21,534	23,730	29,625
Disposals of leases of property and equipment	19,885	4,465	7,593
Issuance of shares	—	3,000	—
Receipt of related-party receivable payment offset by related-party loan payments	—	—	7,133
Ares Put Option	—	—	9,201

The accompanying notes are an integral part of these consolidated financial statements.

ARKO Corp.
Notes to Consolidated Financial Statements

1. General

ARKO Corp. (the “Company”) is a Delaware corporation whose common stock, par value \$0.0001 per share (“common stock”) and publicly-traded warrants are listed on the Nasdaq Stock Market (“Nasdaq”) under the symbols “ARKO” and “ARKOW,” respectively.

On September 8, 2020, the Company (then a newly-formed company) entered into a business combination agreement, as amended on November 18, 2020 (the “Merger Agreement”), together with Arko Holdings Ltd. (“Arko Holdings”), Haymaker Acquisition Corp. II, a Delaware corporation and a special purpose acquisition company (“Haymaker”), and additional newly-formed wholly owned subsidiaries of Haymaker that were formed in order to enable the consummation of the merger transaction, as described below (the “Merger Transaction”). Arko Holdings is a corporation incorporated in Israel, whose securities were listed on the TASE prior to the consummation of the Merger Transaction and which held approximately 67.99% of the equity rights in GPM Investments, LLC, a Delaware limited liability company (“GPM”). On December 22, 2020 (the “Merger Closing Date”), the Merger Transaction was consummated, following which Arko Holdings and Haymaker became wholly owned subsidiaries of the Company. Concurrently with the execution of the Merger Agreement, the third parties who held approximately 32% of the equity rights in GPM (collectively, the “GPM Minority”) entered into an agreement with the Company and Haymaker for the sale of all of the GPM Minority’s rights, directly or indirectly, in GPM, such that, upon the consummation of the Merger Transaction, the Company indirectly held full ownership and control of GPM.

The Company’s operations are primarily performed by its subsidiary, GPM. GPM is primarily engaged directly and through fully owned and controlled subsidiaries (directly or indirectly) in retail activity, which includes the operations of a chain of convenience stores, most of which include adjacent gas stations. The Company is also engaged in wholesale activity, which includes the supply of fuel to gas stations operated by third parties and following the closing of the Quarles Acquisition (as defined in Note 4) on July 22, 2022, in fleet fueling, which includes the operation of proprietary and third-party cardlock locations (unstaffed fueling locations) and issuance of proprietary fuel cards that provide customers access to a nationwide network of fueling sites. As of December 31, 2022, GPM’s activity included the operation of 1,404 retail convenience stores, the supply of fuel to 1,674 gas stations operated by independent dealers and the operation of 183 cardlock locations throughout 34 states and the District of Columbia in the Mid-Atlantic, Midwestern, Northeastern, Southeastern and Southwestern United States (“U.S.”).

The Company has four reportable segments: retail, wholesale, fleet fueling, and GPMP. Refer to Note 23 below for further information with respect to the segments.

Accounting Treatment of the Merger Transaction

The Merger Transaction was accounted for as a reverse recapitalization. For accounting purposes, Haymaker was treated as the “acquired” company and Arko Holdings was considered the accounting acquirer. The Merger Transaction was treated as the equivalent of Arko Holdings’ issuing stock in exchange for the net assets of Haymaker, accompanied by a recapitalization. The net assets of Arko Holdings and Haymaker were stated at historical cost. No goodwill or intangible assets were recorded in connection with the Merger Transaction.

Because Arko Holdings was deemed the accounting acquirer, upon the consummation of the Merger Transaction, the historical financial statements of Arko Holdings became the historical financial statements of the combined company. As a result, the financial statements included in this Annual Report on Form 10-K reflect the historical operating results of Arko Holdings prior to the Merger Closing Date and the combined results of the Company, including those of Haymaker, following the Merger Closing Date. Additionally, the Company’s equity structure has been reclassified in all periods up to the Merger Closing Date to reflect the number of shares of the Company’s common stock issued to Arko Holdings’ stockholders in connection with the recapitalization transaction. As such, the share counts, common stock amounts related to Arko Holdings’ common stock prior to the Merger Transaction have been retroactively reclassified as shares reflecting the exchange ratio established in accordance with the Merger Agreement.

2. Summary of Significant Accounting Policies

Basis of Presentation

All significant intercompany balances and transactions have been eliminated in the consolidated financial statements, which are prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of Estimates

In the preparation of consolidated financial statements, management may make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include right-of-use assets and lease liabilities; impairment of goodwill, intangible, right-of-use and fixed assets; environmental assets and liabilities; deferred tax assets; and asset retirement obligations.

Foreign Currency Translation

Transactions and balances that are denominated in currencies that differ from the functional currencies have been remeasured into US dollars in accordance with principles set forth in ASC 830, Foreign Currency Matters. At each balance sheet date, monetary items denominated in foreign currencies are translated at exchange rates in effect at the balance sheet date. All exchange gains and losses from the remeasurement mentioned above are reflected in the statement of operations as financial expenses or income, as appropriate.

The revenues of the Company and most of its subsidiaries are generated in US dollars. In addition, most of the costs of the Company and most of its subsidiaries are incurred in US dollars. The Company's management believes that the US dollar is the primary currency of the economic environment in which the Company and most of its subsidiaries operate. Thus, the functional currency of the Company and most of its subsidiaries is the US dollar.

For subsidiaries whose functional currency has been determined to be other than the US dollar, assets and liabilities are translated at year-end exchange rates, and statement of operations items are translated at average exchange rates prevailing during the year. Resulting translation differences are recorded as a separate component of accumulated other comprehensive income (loss) in equity.

Cash and Cash Equivalents

The Company considers all unrestricted highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents, of which there were \$207.5 million and \$0.7 million as of December 31, 2022 and 2021, respectively. As of December 31, 2022 and 2021, \$0.5 million and \$0.7 million of cash and cash equivalents, respectively, were denominated in New Israeli Shekels ("NIS"). Cash and cash equivalents are maintained at financial institutions.

Restricted Cash

The Company classifies as restricted cash any cash and cash equivalents that are currently restricted from use in order to comply with agreements with third parties, including cash related to net lottery proceeds.

Trade Receivables

The majority of trade receivables are typically from independent dealers, fleet fueling customers, customer credit accounts and credit card companies in the ordinary course of business. Balances due in respect of credit cards processed through the Company's fuel suppliers and other providers are collected within two to three days depending upon the day of the week of the purchase and time of day of the purchase. Receivables from independent dealers and customer credit accounts are typically due within one to 30 days and are stated as amounts due. Accounts that are outstanding longer than the payment terms are considered past due.

At each balance sheet date, the Company recognizes a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The expected credit losses on trade receivables are estimated based on historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecasted direction of conditions at the reporting date, including time value of money where appropriate. The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, as long as the discount impact is material. The Company records an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company writes off receivable amounts when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss. The Company has not experienced significant write-offs for the years ended December 31, 2022, 2021 and 2020.

Inventory

Inventory is stated at the lower of cost or net realizable value. Inventory cost is determined using the average cost, net of vendor rebates or discounts in the event that they can be attributed to inventory, using the first-in, first-out (FIFO) basis, which approximates the actual cost of the inventory. The net realizable value is an estimate of the sales price in the ordinary course of business less an estimate of the costs required in order to execute the sale. The Company periodically reviews inventory for obsolescence and records a charge to merchandise costs for any amounts required to reduce the carrying value of inventories to net realizable value.

Property and Equipment

Property and equipment are carried at cost or, if acquired through a business combination, at the fair value of the assets as of the acquisition date, less accumulated depreciation and accumulated impairment losses. Expenditures for maintenance and repairs are charged directly to expense when incurred and major improvements are capitalized. Depreciation is recognized using the straight-line method over the estimated useful lives of the related assets as follows:

	Range in Years
Buildings and leasehold improvements	15 to 40
Signs	5 to 15
Other equipment (primarily office equipment)	5 to 7
Computers, software and licenses	3 to 5
Motor vehicles	7
Fuel equipment	5 to 30
Equipment in convenience stores	5 to 15

Amortization of leasehold improvements is recorded using the straight-line method based upon the shorter of the remaining terms of the leases including renewal periods that are reasonably assured or the estimated useful lives.

Impairment of Long-lived Assets

The Company reviews its long-lived assets, including property and equipment, right-of-use assets and amortizable intangible assets, for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If a review indicates that the assets will not be recoverable, based on the expected undiscounted net cash flows of the related asset, an impairment loss is recognized to the extent carrying value of the assets exceeds their estimated fair value and the asset's carrying value is reduced to fair value. Impairment losses related to property and equipment and right-of-use assets of \$3.7 million, \$3.2 million and \$4.7 million were recorded in relation to closed and non-performing sites as an expense within other expenses, net in the consolidated statements of operations during the years ended December 31, 2022, 2021 and 2020, respectively. No impairment was recognized for long-lived intangible assets during the years ended December 31, 2022, 2021 and 2020.

Business Combinations

The Company applies the provisions of ASC 805, Business Combinations, and allocates the fair value of purchase consideration to the tangible and intangible assets acquired, and liabilities assumed based on their estimated fair values. When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. In subsequent periods, the goodwill is measured at cost less accumulated impairment losses.

If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess is recognized immediately within other expenses, net in the consolidated statements of operations as a gain on bargain purchase.

When the consideration transferred in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

Goodwill and Intangible Assets

Goodwill represents the excess of cost over fair value of net assets of businesses acquired. For the purpose of impairment testing, goodwill is allocated to each reporting unit (or groups of reporting units) expected to benefit from the synergies of the business combination. Intangible assets acquired in a business combination are recorded at fair value as of the date acquired. Amortization of finite lived intangible assets is provided using the straight-line method of amortization over the estimated useful lives of the intangible assets, with a weighted average remaining amortization period as of December 31, 2022, as follows:

	Range in Years	Weighted Average Remaining Amortization Period
Goodwill	Indefinite life	Indefinite life
Trade names	5	3
Wholesale fuel supply contracts	4 to 14	10
Third-party cardlock site contracts	2	2
Option to acquire ownership rights	6 to 15	8
Option to develop stores	5	0.5
Non-contractual customer relationships	20	20
Liquor licenses	Indefinite life	Indefinite life
Franchise rights	9 to 20	14

Goodwill is reviewed annually on October 1 for impairment, or more frequently if indicators of impairment exist, such as disruptions in the business, unexpected significant declines in operating results or a sustained market capitalization decline. In the goodwill impairment test, the reporting unit's carrying amount (including goodwill) and its fair value are compared. If the estimated fair value of a reporting unit is less than its carrying amount, an impairment charge is recognized for the deficit up to the amount of goodwill recorded.

The Company completed the annual impairment analyses for goodwill for the years ended December 31, 2022, 2021 and 2020, and no impairment was recognized.

Non-controlling Interest

These consolidated financial statements reflect the application of ASC 810, Consolidation, which establishes accounting and reporting standards that require: (i) the ownership interest in subsidiaries held by parties other than the parent to be clearly identified and presented in the consolidated balance sheet within shareholders' equity, but separate from the parent's equity, (ii) the amount of consolidated net income attributable to the parent and the non-controlling interest to be clearly identified and presented on the face of the consolidated statements of operations, and (iii) changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary to be accounted for consistently.

The Company's investments in GPM (until the purchase of the GPM Minority on the Merger Closing Date as described in Note 1 above) and GPM Petroleum LP ("GPMP") (until the purchase of the third parties' interests in GPMP on December 21, 2020 as described in Note 3 below) were accounted for under the method of accounting referred to as the hypothetical liquidation at book value method for allocating the profits and losses. In accordance with this method, profits and losses are allocated between the Company and the non-controlling interest assuming at the end of the reporting period, GPM and GPMP would liquidate or distribute its assets and redeem its liabilities at their book value.

Until December 21, 2020, due to the terms of GPMP's Agreement of Limited Partnership, and the preference provided to the one of the third party investors in the monthly distributions of GPMP as well as in liquidation, the investor's investment was classified in the consolidated statements of changes in equity as 'Non-controlling interests.' A non-controlling interest was also recorded for the interests owned by the seller of the Fuel USA sites and the seller of the Riiser sites (the "Riiser Seller").

Equity Investment

For equity investments that are not required to be consolidated, the Company evaluates the level of influence it is able to exercise over the investee's operations to determine whether to use the equity method of accounting. Investees over which the Company determines that the Company has significant influence are accounted for as equity method investment. The Company evaluates its equity method investment for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investment may be impaired.

Since January 2014, the Company has held joint control (50%) of Ligad Investments and Construction Ltd. (“Ligad”), which is presented on the Company’s books using the equity method of accounting. As of December 31, 2022, Ligad owed the Company approximately \$0.7 million, bearing interest at the prime rate plus 1%, and payable on December 31, 2023.

In September 2020, Ligad entered into an agreement with a third party for the lease of the properties held by it for a period of three years beginning March 1, 2021, in consideration of an annual payment of approximately \$0.3 million and granted another third party an option, as amended, that it may exercise until September 2023, pursuant to which such third party may purchase the leased properties for consideration of approximately \$7.5 million plus value-added taxes, from which the lease payments received will be deducted.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the item being valued.

Significant estimates of fair value include, among other items, tangible and intangible assets acquired and liabilities assumed through business combinations, certain leases, contingent consideration in business combinations, financial derivative instruments, the Public Warrants (as defined below), the Private Warrants (as defined below), the Deferred Shares (as defined below) and the Ares Put Option (as defined below). The Company also uses fair value measurements to routinely assess impairment of long-lived assets, intangible assets and goodwill.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to the customers. This requires the Company to identify contractual performance obligations and determine whether revenue should be recognized at a single point in time or over time, based on when control of goods and services transfers to a customer. Control is transferred to the customer over time if the customer simultaneously receives and consumes the benefits provided by the Company’s performance. If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a single point in time.

Revenue is recognized in an amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services.

When the Company satisfies a performance obligation by transferring control of goods or services to the customer, revenue is recognized against contract assets in the amount of consideration to which the Company is entitled. When the consideration amount received from the customer exceeds the amounts recognized as revenue, the Company recognizes a contract liability for the excess.

An asset is recognized related to the costs incurred to obtain a contract (i.e. sales commissions) if the costs are specifically identifiable to a contract, the costs will result in enhancing resources that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. These capitalized costs are recorded as a part of other current assets and other non-current assets and are amortized on a systematic basis consistent with the pattern of transfer of the goods or services to which such costs relate. The Company expenses the costs to obtain a contract, as and when they are incurred, in cases where the expected amortization period is one year or less.

The Company evaluates if it is a principal or an agent in a transaction to determine whether revenue should be recorded on a gross or a net basis. In performing this analysis, the Company considers first whether it controls the goods before they are transferred to the customers and if it has the ability to direct the use of the goods or obtain benefits from them. The Company also considers the following indicators: (1) the primary obligor, (2) the latitude in establishing prices and selecting suppliers, and (3) the inventory risk borne by the Company before and after the goods have been transferred to the customer. When the Company acts as principal, revenue is recorded on a gross basis. When the Company acts as agent, revenue is recorded on a net basis.

Certain fuel and sales taxes are invoiced by fuel suppliers or collected from customers and remitted to governmental agencies either directly, or through suppliers, by the Company. Whether these taxes are presented on a gross or net basis is dependent on whether the Company is acting as a principal or agent in the sales transaction. Fuel excise taxes are presented on a gross basis for fuel sales because the Company is acting as the primary obligor, has pricing latitude, and is also exposed to inventory and credit risks. Fuel revenue and fuel cost of revenue included fuel taxes of \$1,015.2 million, \$1,004.8 million and \$584.6 million for 2022, 2021 and 2020, respectively.

Revenue recognition patterns are described below by reportable segment:

Retail

•**Fuel revenue and merchandise revenue**—Revenues from the sale of merchandise and fuel less discounts given and returns are recognized upon delivery, which is the point at which control and title is transferred, the customer has accepted the product and the customer has significant risks and rewards of owning the product. The Company typically has a right to payment once control of the product is transferred to the customer. Transaction prices for these products are typically at market rates for the product at the time of delivery. Payment terms require customers to pay shortly after delivery and do not contain significant financing components.

•**Customer loyalty program**—The customer loyalty program provides the Company’s customers rights to purchase products at a lower price or at no cost in future periods. The sale of products in accordance with the loyalty program are recognized as multiple performance obligations. The consideration for the sale is allocated to each performance obligation identified in the contract (the actual purchases and the future purchases) on a relative stand-alone selling price basis. Revenue for the rights granted is deferred and recognized on the date on which the Company completes its obligations in respect thereof or when it expires. The related contract liability for the customer loyalty program was approximately \$0.9 million and \$1.5 million as of December 31, 2022 and 2021, respectively, and was included in other current liabilities on the consolidated balance sheets.

•**Commissions on sales of lottery products, money orders and prepaid value cards**—The Company recognizes a commission on the sale of lottery products, money orders, and sales of prepaid value cards (gift or cash cards) at the time of the sale to the customer.

Wholesale

•**Consignment arrangements**—In arrangements of this type, the Company owns the fuel until the date of sale to the final customer, and the gross profit created from the sale of the fuel is allocated between the Company and the independent dealer based on the terms of the relevant agreement with the independent dealer. In certain cases, gross profit is split based on a percentage and in others, the Company pays a fixed fee per gallon to the independent dealer. The Company recognizes revenues on the date of the sale to the final customer (namely, upon dispensing of the fuel by the consumer which is the date of transfer of control, risks and rewards to the final customer).

•**Fuel supply arrangements (“Cost Plus”)**—In arrangements of this type, the independent dealer purchases the fuel from the Company. The Company recognizes revenue upon delivery of the fuel to the independent dealer which is the date of transfer of ownership of the fuel to the independent dealer. The sales price to the independent dealer is determined according to the terms of the relevant agreement with the independent dealer, which generally includes a stated price of the fuel plus the cost of transportation and a margin, with the Company generally retaining any prompt pay discounts and rebates.

Fleet Fueling

•**Fuel revenue from cardlock locations**—Revenues from the sale of fuel, less applicable discounts, are recognized upon delivery of the fuel, which is the point at which control and title are transferred, the customer has accepted the product and the customer has significant risks and rewards of owning the product. The Company typically has a right to payment once control of the product is transferred to the customer. At third-party cardlock locations, the Company remains the owner of the fuel until the date of sale to the customer. Transaction prices for these products are typically at market rates for the products at the time of delivery. Payment terms require customers to pay shortly after delivery and do not contain significant financing components.

•**Commissions on proprietary fuel cards**—The Company receives a commission on the sale of fuel from proprietary fuel cards that provide customers access to a nationwide network of fueling sites. The commission is recognized at the time of the sale to the customer.

GPMP

•GPMP recognizes fuel revenue upon delivery of the fuel to GPM and its subsidiaries selling fuel (both in the retail and wholesale segments) and a fixed fee charged to sites in the fleet fueling segment, all of which is eliminated in consolidation.

Refer to Note 23 for disclosure of the revenue disaggregated by segment and product line, as well as a description of the reportable segment operations.

Fuel Costs and Merchandise Costs

The Company records discounts and rebates received from suppliers as a reduction of inventory cost if the discount or rebate is based upon purchases or to merchandise costs if the discount relates to product sold. Discounts and rebates conditional upon the

volume of the purchases or on meeting certain other goals are included in the consolidated financial statements on a basis relative to the progress toward the goals required to obtain a discount or rebate, as long as receiving the discounts or rebates is reasonably assured and its amount can be reasonably estimated. The estimate of meeting the goals is based, among other things, on contract terms and historical purchases/sales as compared to required purchases/sales.

The Company includes in fuel costs all costs incurred to acquire fuel, including the costs of purchasing and transporting inventory prior to delivery to customers. The Company primarily utilizes third-party carriers to transport fuel inventory to each location. Fuel costs do not include any depreciation of property and equipment as there are no significant amounts that could be attributed to fuel costs. Accordingly, depreciation is separately classified in the consolidated statements of operations.

The Company recognizes merchandise vendor rebates based upon the period of time in which it has completed the unit purchases and/or sales as specified in the merchandise vendor agreements. The Company records such rebates as a reduction of merchandise costs.

Certain upfront amounts paid to the Company by merchandise suppliers and amounts paid to the Company by fuel suppliers for renovation and upgrade costs associated with the rebranding of gas stations are presented as a liability and are recorded to operations as a reduction of merchandise or fuel costs on a straight-line basis relative to the period of the agreement. In the event that the Company does not comply with the conditions of the agreement with the supplier, the Company may be required to repay the unamortized balance of the amount received or grant to the supplier based on the amortization schedule as defined in each applicable agreement. These amounts are classified in other non-current liabilities, except for the current maturity which is classified in other current liabilities.

Total purchases from suppliers who accounted for 10% or more of total purchases for the periods presented were as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Fuel products - Supplier A	\$ 974,156	\$ 776,314	\$ 312,231
Fuel products - Supplier B	870,982	638,928	256,606
Fuel products - Supplier C	758,856	*	*
Merchandise products - Supplier D	664,438	645,257	653,994

* Purchases did not exceed 10% in period

Environmental Costs

Environmental expenditures related to existing conditions, resulting from past or current operations and from which no current or future benefit is discernible, are expensed. A liability for environmental matters is established when it is probable that an environmental obligation exists and the cost can be reasonably estimated. If there is a range of reasonably estimated costs, the most likely amount will be recorded, or if no amount is most likely, the minimum of the range is used. Related expenditures are charged against the liability. Expenditures that extend the life of the related property or prevent future environmental contamination are capitalized.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs, net of co-op advertising reimbursement from certain vendors/suppliers, for the years ended December 31, 2022, 2021 and 2020 were \$5.2 million, \$4.4 million and \$3.8 million, respectively, and were included in store operating and general and administrative expenses in the consolidated statements of operations.

Income Taxes

Income taxes are accounted for under the provisions of ASC 740, Income Taxes. Current and deferred taxes are recognized in profit or loss, except when they arise from the initial accounting for a business acquisition, in which case the tax effect is included in the accounting for the business acquisition. The current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is provided using the asset and liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax assets are recognized for future tax benefits and credit carryforwards to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates (and tax laws) that have been enacted by the end of the reporting periods. After determining the total amount of deferred tax

assets, a determination is made as to whether it is more likely than not that some portion of the deferred tax assets will not be realized. If it is determined that a deferred tax asset is not likely to be realized, a valuation allowance is established. Deferred tax assets and deferred tax liabilities are offset if the Company had a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same tax authority.

Uncertain tax positions meeting the more likely than not recognition threshold are measured and recognized in the consolidated financial statements at the largest amount of benefit that has a greater than 50% likelihood of being realized upon settlement.

The Company classifies interest and penalties related to income tax matters as a component of income tax expense in the consolidated statements of operations.

Derivative Instruments and Hedging Activities

The Company accounts for financial derivative instruments at fair value and applies hedge accounting rules when applicable. The Company utilizes derivative instruments related to ultra-low sulfur diesel to offset changes in the fair value of its firm commitments to purchase diesel fuel that is ultimately delivered to certain of its fleet fueling sites.

These instruments are accounted for as fair value hedges of a firm commitment upon proper qualification. The Company assesses at inception and on an ongoing basis whether a derivative instrument accounted for as a hedge is highly effective in offsetting changes in the fair value of the hedged item (that is, the unrecognized firm commitment). The gain or loss on the hedging instrument is recognized currently in earnings within fuel costs in the consolidated statement of operations, for the period in which the changes in fair value occur. The gain or loss (that is, the change in fair value) on the hedged item attributable to the hedged risk designated as being hedged adjusts the carrying amount of the related hedged item and is simultaneously recognized in earnings within fuel costs in the consolidated statement of operations, as an adjustment to the carrying amount of that hedged item (that is, the Company recognizes as assets or liabilities the changes in the fair value of the firm commitment that are attributable to the risk being hedged and that arise while the hedge of the firm commitment exists). When the underlying assets are purchased in accordance with the terms of the hedged firm commitment, the initial cost basis in the acquired assets is adjusted by the amount of the firm commitment that was recognized as an asset or liability under the fair value hedging model. See Note 21 and Note 22 for further information about the Company's derivatives.

Earnings Per Share

Basic earnings per share are calculated in accordance with ASC 260, Earnings Per Share, by dividing net income (loss) attributable to the Company by the weighted average number of common shares outstanding during the year. Diluted earnings per share are calculated, if applicable, by adjusting net income (loss) attributable to the Company and the weighted average number of common shares, taking into effect all potential dilutive common shares.

Share-Based Compensation

ASC 718, Compensation – Stock Compensation, requires the cost of all share-based payments to employees to be recognized in the statement of operations and establishes fair value as the measurement objective in accounting for share-based payment arrangements. ASC 718 requires the use of a valuation model to calculate the fair value of stock-based awards on the date of grant.

Restricted share units are valued based on the fair market value of the underlying stock on the date of grant. The Company records compensation expense for these awards based on the grant date fair value of the award, recognized ratably over the vesting period of the award.

The Company recognizes compensation expense related to stock-based awards with graded vesting on a straight-line basis over the vesting period. The Company's share-based compensation expense is adjusted for forfeitures when they are incurred.

Employee Benefits

The Company has a 401(k) retirement plan for its employees who may contribute up to 75% of eligible wages as defined in the plan, subject to limitations defined in the plan and applicable law. The Company matches a percentage of employee contributions according to the plan. The Company has a deferred compensation plan for certain employees who may contribute up to 90% of eligible wages as defined in the plan, subject to limitations defined in the plan and applicable law. The Company matches a percentage of employee contributions according to the plan. The expense for matching contributions for both of these plans was approximately \$1.0 million, \$1.6 million and \$0.8 million for the years ended December 31, 2022, 2021 and 2020, respectively.

The Company as Lessee

The Company assesses whether a contract is, or contains, a lease at inception of the contract. A contract contains a lease on the basis of whether the Company has the right to control the use of an identified asset for a period of time in exchange for consideration. While assessing whether a contract conveys the right to control the use of an identified asset, the Company assesses whether, throughout the period of use, it has both of the following:

- the right to obtain substantially all of the economic benefits from use of the identified assets; and
- the right to direct the use of the identified asset.

The lease term is the non-cancellable period of a lease together with periods covered by an option to extend the lease if the Company is reasonably certain it will exercise that option.

In assessing the lease term, the Company takes into account extension options that, at initial recognition, it is reasonably certain that it will exercise. The likelihood of the exercise of the extension options is examined considering, among other things, the lease payments during the extension periods in relation to the market prices, significant improvements in the leased properties that are expected to have a significant economic benefit during the extension period, actual profitability characteristics and expected profitability of the sites, the remaining non-cancellable period, the number of years under the extension periods, location of the leased property and the availability of suitable alternatives.

Because the interest rate implicit in the lease cannot be readily determined, the Company generally utilizes the incremental borrowing rates of the Company. These rates are defined as the interest rates that the Company would have to pay, on the commencement date of the lease, to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in the lease agreement and in a similar economic environment.

Lease payments included in the measurement of the lease liability consist of:

- fixed lease payments (including in-substance fixed payments), including those in extension option periods which are reasonably certain to be exercised;
- variable lease payments that depend on an index, initially measured using the index at the commencement date; and
- the exercise price of purchase options, if the Company is reasonably certain it would exercise the options.

Variable rents that do not depend on an index or rate and which are not in-substance fixed lease payments (for example, payments that are determined as a percentage of sales) are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in store operating expenses in the statements of operations.

For variable lease payments that depend on an index or a rate (such as the consumer price index or a market interest rate), on the commencement date, the lease payments were initially measured using the index or rate at the commencement date. The Company does not remeasure the lease liability for changes in future lease payments arising from changes in an index or rate unless the lease liability is remeasured for another reason. Therefore, after initial recognition, such variable lease payments are recognized in statements of operations as they are incurred.

The Company determines if the lease is an operating lease or a financing lease and recognizes right-of-use assets and lease liabilities for all leases, except for short-term leases (lease term of one year or less) and leases of low value assets. For these leases, the Company recognizes lease expense on a straight-line basis over the lease term.

At the commencement date, the lease liability is measured at the present value of future lease payments that are not paid at that date (not including payments made at the commencement date of the lease), discounted generally using the relevant incremental borrowing rate, and presented as a separate line item in the consolidated balance sheets. The operating lease liability is subsequently remeasured each period at the present value of future lease payments that are not paid at that date. The financing lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Some of the lease agreements include an increase in the consumer price index coupled with a multiplier and a percentage increase cap effectively assures the cap will be reached each year. The Company determined, based on past experience and consumer price index increase expectations, that these types of variable payments are in-substance fixed payments and such payments are included in the measurement of the lease liabilities as of the date of the initial lease liability measurement.

The Company remeasures the lease liability (and makes corresponding adjustments to the related right-of-use asset) whenever the following occurs:

- the lease term has changed as a result of, among other factors, a change in the assessment of exercising an extension option or a purchase option that results from the occurrence of a significant event or a significant change in circumstances that is within the Company's control, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate. For lease modifications that decrease the scope of the lease, the lessee recognizes in profit or loss any gain or loss relating to the partial or full termination of the lease.

The right-of-use asset is measured at cost and presented as a separate line item in the consolidated balance sheets. The cost of the right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, and any initial direct costs. In business combinations, the amount is adjusted to reflect favorable or unfavorable terms of the lease relative to market terms. Subsequently, the right-of-use asset under operating leases is measured at the carrying amount of the lease liability, adjusted for prepaid or accrued lease payments, unamortized lease incentives received and accumulated impairment losses. The right-of-use asset under financing leases is measured at cost less accumulated depreciation and accumulated impairment losses.

Whenever the Company incurs an obligation for costs (either on the commencement date or consequently) to dismantle and remove a leased asset, restore the site on which it is located, or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized. The costs are included in the related right-of-use asset.

Right-of-use assets under financing leases are depreciated based on the straight-line method over the shorter period of the lease term and the useful life of the underlying asset, with weighted average depreciation periods as follows:

	Years
Leasehold improvements, buildings and real estate assets	28
Equipment	5

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company will depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

The Company adjusts the right-of-use asset and as a result, the depreciation period in the following periods if it remeasures the respective lease liability.

The Company as Lessor

Leases for which the Company is a lessor are classified as financing or operating leases. When the Company is an intermediate lessor, it accounts for the head lease and the sublease as separate contracts. The sublease is classified as a financing or operating lease by reference to the head lease's underlying asset.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and depreciated on a straight-line basis over the lease term. Rental income on leased and subleased property to independent dealers and other third-parties is recognized on a straight-line basis based upon the term of the tenant's lease or sublease.

Reclassifications

Certain prior year equity amounts have been reclassified to conform to the current year presentation.

Reference Rate Reform – In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting. This standard included optional guidance for a limited period of time to help ease the burden in accounting for the effects of reference rate reform. The Company has not needed to implement this optional guidance.

3. Limited Partnership

GPMP commenced its operation in January 2016, and thereafter the following has applied:

- i. Fuel distribution agreements – GPMP is a party to the majority of the agreements with fuel suppliers relating to the supply of fuel to GPM and its subsidiaries in the retail and wholesale segments, and GPM guarantees the obligations under certain of such agreements.
- ii. Distribution agreement with GPM – GPM and its subsidiaries related to substantially all of its sites in the retail and wholesale segments are engaged with GPMP in an exclusive supply agreement pursuant to which they purchase fuel from GPMP at GPMP's cost of fuel including taxes and transportation, plus a fixed margin. Such supply arrangements have a duration of 10 years from the date of the initial supply agreement and, with respect to acquired sites, for 10 years from the date of the applicable acquisition.
- iii. GPMP charges a fixed fee to sites in the fleet fueling segment.

As of December 31, 2022, and 2021, GPM, directly and through certain of its wholly owned subsidiaries, held approximately 99.8% of the limited partnership interests in GPMP and all of the rights in the general partner of GPMP.

Just prior to the Merger Transaction, third parties owned approximately 19.3% of the limited partnership interests in GPMP. On December 21, 2020, GPM purchased such interests except for units held by the Riiser Seller which represented, at that time, 0.29% of the limited partnership interests in GPMP, for a total consideration of approximately \$98.0 million, plus consideration for the amount of outstanding distributions not yet distributed, which was funded from GPM's own sources. Part of the proceeds paid by GPM were used to purchase shares of Haymaker in privately negotiated transactions and upon consummation of the Merger Transaction, these shares automatically converted into shares of the Company.

The Riiser Seller currently owes GPM approximately \$3.375 million with respect to a post-closing adjustment. The Riiser Seller may, at its option, satisfy \$3.0 million of such adjustment by tendering all of its limited partnership units in GPMP to GPM.

4. Acquisitions

Quarles Acquisition

On July 22, 2022, the Company consummated its acquisition from Quarles Petroleum, Incorporated ("Quarles") of certain assets (the "Quarles Acquisition"), including 121 proprietary Quarles-branded cardlock sites and 63 third-party cardlock sites for fleet fueling operations, and 46 independent dealer locations, including certain lessee-dealer sites.

The total consideration for the Quarles Acquisition as set forth in the purchase agreement was approximately \$170 million plus the value of inventory on the closing date, subject to customary closing adjustments. The Company financed \$40 million of the purchase price with the Capital One Line of Credit (as defined in Note 12 below), and Oak Street Real Estate Capital Net Lease Property Fund, LP ("Oak Street"), under the Company's standby real estate purchase, designation and lease program agreement with Oak Street, dated as of May 3, 2021 (as amended, the "Program Agreement"), paid approximately \$129.3 million of the consideration in exchange for fee simple ownership in 39 sites. At the closing, pursuant to the Program Agreement, the Company amended one of its master leases with Oak Street to add the sites Oak Street acquired in the transaction under customary lease terms. For accounting purposes, the transaction with Oak Street was treated as a sale-leaseback. Because the sale-leaseback was off-market, a financial liability of \$20.2 million was recorded, resulting in interest expense recognized over the lease term. Additionally, right-of-use assets and operating lease liabilities of approximately \$61.6 million were recorded in connection with the operating lease, after reducing for accounting purposes from the contractual lease payments the amount attributable to the repayment of the additional financing.

The details of the Quarles Acquisition were as follows:

	Amount (in thousands)
Fair value of consideration transferred:	
Cash	\$ 14,847
GPMP Capital One Line of Credit	40,000
Liability resulting from contingent consideration	826
Consideration provided by Oak Street	129,316
Total consideration	\$ 184,989
Assets acquired and liabilities:	
Inventory	\$ 12,300
Other assets	1,181
Property and equipment, net	146,055
Right-of-use assets under operating leases	32,916
Intangible assets	30,010
Environmental receivables	8
Total assets	222,470
Other liabilities	(1,168)
Environmental liabilities	(316)
Asset retirement obligations	(5,195)
Operating leases	(30,802)
Total liabilities	(37,481)
Total identifiable net assets	184,989
Goodwill	<u>\$ -</u>
Consideration paid in cash	\$ 54,847
Consideration provided by Oak Street	129,316
Net cash outflow	<u>\$ 184,163</u>

The initial accounting treatment of the Quarles Acquisition reflected in these consolidated financial statements is provisional as the Company has not yet finalized the initial accounting treatment of the business combination, and in this regard, has not finalized the valuation of some of the assets acquired and the goodwill resulting from the Quarles Acquisition, mainly due to the limited period of time between the Quarles Acquisition closing date and the date of these consolidated financial statements. Therefore, some of the financial information presented with respect to the Quarles Acquisition in these consolidated financial statements remains subject to change.

The Company included identifiable tangible assets and identifiable liabilities at their respective fair values based on the information available to the Company's management on the Quarles Acquisition closing date, including, among other things, a preliminary valuation performed by external consultants for this purpose. The useful life of the wholesale fuel supply contracts was 4.3 years, the useful life of the contracts related to the third-party cardlock sites was two years, and the useful life of the customer relationships related to the proprietary cardlock sites and the proprietary fuel cards that give customers access to a nationwide network of fueling sites was 20 years.

The Company's preliminary accounting treatment of the Quarles Acquisition resulted in no goodwill being recorded.

Acquisition-related costs amounting to approximately \$2.3 million and \$0.6 million have been excluded from the consideration transferred and have been recognized as an expense within other expenses, net in the consolidated statements of operations for the years ended December 31, 2022 and 2021, respectively. No acquisition-related costs were recognized for the year ended December 31, 2020.

Results of operations for the Quarles Acquisition for the period subsequent to the acquisition closing date were reflected in the consolidated statement of operations for the year ended December 31, 2022. For the period from the Quarles Acquisition closing date through December 31, 2022, the Company recognized \$317.2 million in revenues and \$13.7 million in net income related to the Quarles Acquisition.

Pride Convenience Holdings, LLC Acquisition

On December 6, 2022, the Company acquired all of the issued and outstanding membership interests in Pride Convenience Holdings, LLC ("Pride"), which operates 31 convenience stores and gas stations in Connecticut and Massachusetts (the "Pride Acquisition"), pursuant to its purchase agreement with Pride Parent, LLC.

The total purchase price for the Pride Acquisition was approximately \$230.0 million plus the value of inventory at the closing, subject to certain closing adjustments. The Company financed approximately \$30.0 million of the cash consideration including the value of inventory and other closing adjustments with the Capital One Line of Credit and cash on hand. Oak Street, under the Program Agreement, paid the remaining consideration to acquire the entity holding certain real estate assets of Pride immediately prior to the closing of the Pride Acquisition. At the closing, pursuant to the Program Agreement, the Company entered into a master lease with Oak Street for the sites Oak Street acquired in the transaction under customary lease terms. Although Oak Street acquired the entity holding certain real estate assets immediately prior to the Company consummating the Pride Acquisition, for accounting purposes, the transaction with Oak Street was treated as a sale-leaseback. Because the sale-leaseback was off-market, a financial liability of \$34.8 million was recorded, resulting in interest expense recognized over the lease term. Additionally, right-of-use assets and operating lease liabilities of approximately \$105.5 million were recorded in connection with the operating lease, after reducing for accounting purposes from the contractual lease payments the amount attributable to the repayment of the additional financing.

The details of the Pride Acquisition were as follows:

	Amount (in thousands)
Fair value of consideration transferred:	
Cash	\$ 10,669
GPMP Capital One Line of Credit	20,000
Payable to Pride Parent, LLC	3,055
Consideration provided by Oak Street	201,654
Total consideration	\$ 235,378
Assets acquired and liabilities:	
Cash and cash equivalents	\$ 3,591
Trade receivables	6,228
Inventory	5,126
Other assets	951
Property and equipment	204,581
Right-of-use assets under operating leases	2,245
Intangible assets	1,824
Environmental receivables	42
Deferred tax asset	6,527
Total assets	231,115
Accounts payable	(11,073)
Other liabilities	(1,259)
Environmental liabilities	(70)
Asset retirement obligations	(675)
Operating leases	(2,245)
Total liabilities	(15,322)
Total identifiable net assets	215,793
Goodwill	<u>\$ 19,585</u>
Consideration paid in cash by the Company	\$ 30,669
Consideration provided by Oak Street	201,654
Less: cash and cash equivalent balances acquired	(3,591)
Net cash outflow	<u>\$ 228,732</u>

The initial accounting treatment of the Pride Acquisition reflected in these consolidated financial statements is provisional as the Company has not yet finalized the initial accounting treatment of the business combination, and in this regard, has not finalized the valuation of some of the assets and liabilities acquired and the goodwill resulting from the Pride Acquisition, mainly due to the limited period of time between the Pride Acquisition closing date and the date of these consolidated financial statements. Therefore, some of the financial information presented with respect to the Pride Acquisition in these consolidated financial statements remains subject to change.

The Company included identifiable tangible assets and identifiable liabilities at their respective fair values based on the information available to the Company's management on the Pride Acquisition closing date, including, among other things, a preliminary valuation performed by external consultants for this purpose. The useful life of the trade name was five years. The liquor licenses have indefinite useful lives.

As a result of the preliminary accounting treatment of the Pride Acquisition, the Company recorded goodwill of approximately \$19.6 million, all of which was allocated to the GPMP segment and attributable to the opportunities to expand into new geographic

locations and add significant volume to the GPMP segment. None of the goodwill recognized is tax deductible for U.S. income tax purposes.

Acquisition-related costs amounting to approximately \$2.2 million have been excluded from the consideration transferred and have been recognized as an expense within other expenses, net in the consolidated statements of operations for the year ended December 31, 2022. No acquisition-related costs were recognized for the years ended December 31, 2021 and 2020.

Results of operations for the Pride Acquisition for the period subsequent to the acquisition closing date were reflected in the consolidated statement of operations for the year ended December 31, 2022. For the period from the Pride Acquisition closing date through December 31, 2022, the Company recognized \$25.7 million in revenues and \$1.1 million in net income related to the Pride Acquisition.

ExpressStop Acquisition

On May 18, 2021, the Company acquired, in conjunction with two U.S. real estate funds that are unrelated third parties (each a “Real Estate Fund,” collectively the “Real Estate Funds”), 60 self-operated convenience stores and gas stations located in the Midwestern U.S. for consideration of approximately \$87 million plus the value of inventory and cash in stores on the closing date (the “ExpressStop Acquisition”). The Company financed its share of the consideration from its own sources and the Real Estate Funds paid the purchase price for the seller’s real estate they acquired as described below.

At the closing of the transaction, (i) the Company purchased and assumed, among other things, certain vendor agreements, fee simple ownership in 10 sites, equipment in the sites, inventory and goodwill with regard to the acquired activity; and (ii) in accordance with agreements between the Company and each of the Real Estate Funds, in consideration of approximately \$78 million, the Real Estate Funds purchased the fee simple ownership in 44 of the sites, which are leased to the Company under customary lease terms. One of the Real Estate Funds granted the Company an option to purchase the fee simple ownership in 24 of the sites following an initial four-year period for a purchase price agreed upon between the parties. For accounting purposes, the transaction with this Real Estate Fund was treated as a failed sale-leaseback and resulted in recording a financial liability of approximately \$44.2 million, which included an additional site added to the agreement with the Real Estate Fund in October 2021. For accounting purposes, the transaction with the other Real Estate Fund, which purchased 20 of the sites, was treated as a sale-leaseback and the Company recorded right-of-use assets and operating lease liabilities of approximately \$30.0 million in connection therewith. The Company’s total net cash outlay was approximately \$15.9 million.

The details of the business combination were as follows:

	Amount (in thousands)
Fair value of consideration transferred:	
Cash	\$ 16,191
Consideration provided by the Real Estate Funds	78,496
Total consideration	\$ 94,687
Assets acquired and liabilities:	
Cash and cash equivalents	\$ 258
Inventory	7,507
Other assets	326
Property and equipment	76,550
Intangible assets	2,740
Environmental receivables	46
Deferred tax asset	2,435
Total assets	89,862
Other liabilities	(213)
Environmental liabilities	(70)
Asset retirement obligations	(2,448)
Total liabilities	(2,731)
Total identifiable net assets	87,131
Goodwill	<u>\$ 7,556</u>
Consideration paid in cash by the Company	\$ 16,191
Consideration provided by the Real Estate Funds	78,496
Less: cash and cash equivalent balances acquired	(258)
Net cash outflow	<u>\$ 94,429</u>

The Company included identifiable tangible and intangible assets and identifiable liabilities at their respective fair values based on the information available to the Company's management on the acquisition closing date, including, among other things, a valuation performed by external consultants for this purpose. The useful life of the trade name on the date of acquisition was five years. The liquor licenses have indefinite useful lives.

As a result of the ExpressStop Acquisition, the Company recorded goodwill of approximately \$7.6 million, all of which was allocated to the GPMP segment and attributable to the opportunity to add significant volume to the GPMP segment. None of the goodwill recognized is tax deductible for U.S. income tax purposes.

Acquisition-related costs amounting to approximately \$2.5 million have been excluded from the consideration transferred and have been recognized as an expense within other expenses, net in the consolidated statement of operations for the year ended December 31, 2021. No acquisition-related costs for the ExpressStop Acquisition were recognized for the years ended December 31, 2022 and 2020.

Results of operations for the ExpressStop Acquisition for the period subsequent to the acquisition closing date were reflected in the consolidated statement of operations for the year ended December 31, 2021. For the period from the ExpressStop Acquisition closing date through December 31, 2021, the Company recognized \$130.0 million in revenues and \$2.0 million in net income related to the ExpressStop Acquisition.

Handy Mart Acquisition

On November 9, 2021, the Company acquired the operations and leasehold interest of 36 Company-operated convenience stores and gas stations and one development parcel, located in North Carolina (the "Handy Mart Acquisition" and together with the ExpressStop Acquisition, the "2021 Acquisitions"). The total consideration for the transaction, including the purchase of real estate by Oak Street pursuant to the Program Agreement, was approximately \$112 million plus the value of inventory and cash in the stores on the closing date. The Company financed the consideration for the acquired operations from its own sources, and Oak Street agreed to pay the remaining consideration for certain of the seller's sites it has agreed to acquire as described below.

At the closing of the transaction, the Company purchased and assumed, among other things, certain vendor agreements, equipment, inventory and goodwill with regard to the acquired assets and paid approximately \$12 million plus the value of inventory and cash in the stores on the closing date. In the fourth quarter of 2021, Oak Street purchased the fee simple ownership in 28 of the sites for approximately \$93.2 million and in the first quarter of 2022, Oak Street purchased the fee simple ownership in the remaining leased site from the seller for approximately \$6.7 million. Additionally, at the closing, pursuant to the Program Agreement, the Company entered into a master lease with Oak Street under customary lease terms for the sites Oak Street acquired in the Handy Mart Acquisition. As of the closing of the transaction, the Company leases one site, the development parcel and a maintenance facility from the seller and the remaining six sites from other third parties.

The details of the business combination were as follows:

	Amount (in thousands)
Fair value of consideration transferred:	
Cash	\$ 17,626
Consideration provided by Oak Street	93,202
Total consideration	\$ 110,828
Assets acquired and liabilities:	
Cash and cash equivalents	\$ 50
Inventory	4,754
Other assets	671
Property and equipment	105,824
Right-of-use assets under operating leases	12,047
Intangible assets	1,290
Total assets	124,636
Other liabilities	(437)
Environmental liabilities	(40)
Asset retirement obligations	(1,348)
Operating leases	(12,047)
Total liabilities	(13,872)
Total identifiable net assets	110,764
Goodwill	<u>\$ 64</u>
Consideration paid in cash by the Company	\$ 17,626
Consideration provided by Oak Street	93,202
Less: cash and cash equivalent balances acquired	(50)
Net cash outflow	<u>\$ 110,778</u>

The Company included identifiable tangible and intangible assets and identifiable liabilities at their respective fair values based on the information available to the Company's management on the acquisition closing date, including, among other things, a valuation performed by external consultants for this purpose. The useful life of the trade name on the date of acquisition was five years.

As a result of the Handy Mart Acquisition, the Company recorded goodwill of approximately \$0.06 million, all of which was allocated to the GPMP segment and attributable to the opportunity to add volume to the GPMP segment. None of the goodwill recognized is tax deductible for U.S. income tax purposes.

Acquisition-related costs amounting to approximately \$0.6 million have been excluded from the consideration transferred and have been recognized as an expense within other expenses, net in the consolidated statement of operations for the year ended December 31, 2021. No acquisition-related costs were recognized for the years ended December 31, 2022 and 2020.

Results of operations for the Handy Mart Acquisition for the period subsequent to the acquisition closing date were reflected in the consolidated statement of operations for the year ended December 31, 2021. For the period from the Handy Mart Acquisition closing date through December 31, 2021, the Company recognized \$32.7 million in revenues and \$0.9 million in net income related to the Handy Mart Acquisition.

Empire Acquisition

Following a purchase agreement entered into on December 17, 2019 (the "Purchase Agreement") with unrelated third-parties (the "Empire Sellers"), on October 6, 2020, the acquisition closed for the purchase of (i) the Empire Sellers' wholesale business of supplying fuel which included 1,453 gas stations independently-operated by others and (ii) 84 Company-operated convenience stores and gas stations (the "Empire Acquisition").

As part of the Empire Acquisition, on the closing date, the Empire Sellers: (i) sold to GPMP the rights according to agreements with fuel suppliers and all of the rights to supply fuel to 1,537 sites; (ii) sold to a subsidiary of GPM the fee simple ownership rights in 64 sites; (iii) assigned to various of GPM's subsidiaries leases of 132 sites (including two vacant parcels and one non-operating site) (the "third party leases"); (iv) leased to certain of GPM's subsidiaries 34 sites (including one vacant parcel) that were valued at approximately \$60 million that were owned by the Empire Sellers, at terms as specified below (collectively the "Sellers' Leases"); and (v) sold and assigned to various of GPM's subsidiaries and GPMP the equipment, inventory, agreements, intangible assets and other rights with regard to the wholesale and retail businesses acquired (collectively, the "Acquired Operations").

The consideration to the Empire Sellers for the Acquired Operations, based on the Purchase Agreement, as amended, was as follows:

•The net consideration paid to the Empire Sellers totaled approximately \$351 million (the “Base Consideration”), including post-closing adjustments, and in addition, approximately \$10.6 million was paid for the cash and inventory in the stores, net of deposit amounts and other collateral provided by the independent dealers, as of the closing date (collectively, the “Closing Consideration”) including post-closing adjustments.

•On each of the first five anniversaries of the closing date, the Empire Sellers will be paid an amount of \$4.0 million (total of \$20.0 million) (the “Additional Consideration”). If the Empire Sellers are entitled to amounts on account of the Contingent Consideration (as defined below), these amounts will initially be applied to accelerate payments on account of the Additional Consideration. For the years ended December 31, 2022 and 2021, the Company paid the Empire Sellers \$6.1 million and \$4.0 million of Additional Consideration, respectively.

•An amount of up to \$45.0 million (the “Contingent Consideration”) will be paid to the Empire Sellers according to mechanisms set forth in the Purchase Agreement, with regard to the occurrence of the following events during the five years following the closing date (the “Earnout Period”): (i) sale and lease to third parties or transfer to Company-operation by GPM of sites with leases to third parties that expired or are scheduled to expire during the Earnout Period, (ii) renewal of agreements with independent dealers at sites not leased or owned by GPM which agreements expired or are scheduled to expire during the Earnout Period, (iii) improvement in the terms of the agreements with fuel suppliers (with regard to the Acquired Operations and/or GPM’s sites as of the closing date), (iv) improvement in the terms of the agreements with transportation companies (with regard to the Acquired Operations and/or GPM’s sites as of the closing date), and (v) the closing of additional wholesale transactions that the Empire Sellers had engaged in prior to the closing date. The measurement and payment of the Contingent Consideration will be made once a year.

GPM was granted options to purchase each of the sites during and at the end of the initial five year term and has a right of first refusal to purchase the assets in the event of sale of the assets to third parties during such term, all as determined in the lease agreements. Refer to Note 8 for detail on the exercise of these purchase options.

The Company paid the Closing Consideration using \$350 million of proceeds from the Capital One Line of Credit and \$63 million of proceeds from a term loan under the Ares Credit Agreement, as described in Note 12 below.

The details of the business combination were as follows:

	Amount (in thousands)
Fair value of consideration transferred:	
Cash	\$ 11,790
GPMP Capital One Line of Credit	350,000
Liability resulting from Additional Consideration	17,560
Liability resulting from Contingent Consideration	7,205
Total consideration	\$ 386,555
Assets acquired and liabilities:	
Cash and cash equivalents	\$ 174
Inventory	12,464
Other assets	4,898
Property and equipment	109,317
Right-of-use assets under operating leases	210,352
Right-of-use assets under financing leases	15,120
Wholesale fuel supply contracts	194,000
Option to acquire ownership rights	8,446
Other intangible assets	750
Environmental receivables	491
Deferred tax asset	11,459
Total assets	567,471
Other liabilities	(4,753)
Environmental liabilities	(1,278)
Asset retirement obligations	(15,168)
Operating leases	(202,500)
Financing leases	(13,357)
Total liabilities	(237,056)
Total identifiable net assets	330,415
Goodwill	<u>\$ 56,140</u>
Consideration paid in cash	\$ 361,790
Less: cash and cash equivalent balances acquired	(174)
Net cash outflow	<u>\$ 361,616</u>

The Company included identifiable tangible and intangible assets and identifiable liabilities at their respective fair values based on the information available to the Company's management on the closing date, including, among other things, a valuation performed by external consultants for this purpose. Specifically, the valuation of the wholesale fuel supply contracts was performed by an external consultant using a combination of the income approach with a weighted average discount rate of 13% and the market approach with a multiple of 4.0x EBITDA. The weighted average useful life of the wholesale fuel supply contracts on the date of acquisition was 12 years. The option to acquire ownership rights was valued using a Black-Scholes model.

In 2021, the Company finalized the accounting treatment of the Empire Acquisition, including the valuation of some of the assets acquired and the goodwill resulting from the acquisition. As a result, the Company primarily reduced property and equipment by approximately \$16.3 million, reduced the option to acquire ownership rights by \$2.8 million, increased the deferred tax asset by approximately \$3.1 million and reduced consideration by \$2.1 million. The adjustments to the assets acquired resulted in an increase in goodwill of approximately \$16.2 million. These adjustments resulted in a reduction in depreciation and amortization expenses recorded by approximately \$2.3 million, of which approximately \$0.8 million related to amounts recorded for the year ended December 31, 2020.

As a result of the Empire Acquisition, the Company recorded goodwill of approximately \$56.1 million, all of which was allocated to the GPMP segment and attributable to the opportunities to expand into new geographic locations and add a significant amount of volume to the GPMP segment. None of the goodwill recognized is tax deductible for U.S. income tax purposes.

Acquisition-related costs amounting to approximately \$0.3 million and \$4.2 million have been excluded from the consideration transferred and have been recognized as an expense within other expenses, net in the consolidated statements of operations for the years ended December 31, 2021 and 2020, respectively. No acquisition-related costs were recognized for the year ended December 31, 2022.

Results of operations for the acquisition were reflected in the consolidated statement of operations for the year ended December 31, 2020 for the period subsequent to the closing date. For the period from the closing date through December 31, 2020, the Company recognized \$477.3 million in revenues and \$7.7 million in net loss related to the Empire Acquisition.

Impact of Acquisitions (unaudited)

The unaudited supplemental pro forma financial information was prepared based on the historical information of the Company and the acquired operations and gives pro forma effect to the acquisitions using the assumption that the Pride Acquisition, the Quarles Acquisition, 2021 Acquisitions and the Empire Acquisition had occurred on January 1, 2020. The unaudited supplemental pro forma financial information does not give effect to the potential impact of current financial conditions, any anticipated synergies, operating efficiencies or cost savings that may result from the acquisitions or any integration costs. The unaudited pro forma financial information is not necessarily indicative of what the actual results of operations would have been had the acquisitions occurred on January 1, 2020 nor is it indicative of future results.

	For the Year Ended December 31,		
	2022	2021	2020
		(unaudited)	
		(in thousands)	
Total revenue	\$ 9,907,002	\$ 8,451,919	\$ 6,502,948
Net income	80,260	61,872	55,020

Pending Acquisition – Transit Energy Group, LLC

On September 9, 2022, the Company entered into a purchase agreement to acquire from Transit Energy Group, LLC (“TEG”) (i) company-operated convenience stores and gas stations (of which there are anticipated to be approximately 135 at closing), (ii) fuel supply rights to independent dealer locations (of which there are anticipated to be approximately 190 at closing), (iii) a commercial, government, and industrial business, including certain bulk plants, and (iv) certain distribution and transportation assets, all in the Southeastern United States (the “TEG Acquisition”).

The purchase price for the TEG Acquisition is approximately \$370 million plus the value of inventory at the closing, of which \$50 million will be deferred and payable in two annual payments of \$25 million, which the Company may elect to pay in either cash or, subject to the satisfaction of certain conditions, shares of common stock (the “Installment Shares”), on the first and second anniversaries of the closing. Pursuant to the purchase agreement, at closing, the parties have agreed to enter into a registration rights agreement, pursuant to which the Company will agree to prepare and file a registration statement with the SEC, registering the Installment Shares, if any, for resale by TEG.

The Company intends to finance from its own sources approximately \$60.0 million of the cash consideration payable at closing of the TEG Acquisition plus the value of inventory and other closing adjustments. Oak Street, under the Program Agreement, has agreed to pay the remaining consideration for the fee simple ownership in 104 sites, which the Company will lease from Oak Street.

The closing of the TEG Acquisition is subject to fulfillment of conditions precedent. The Company currently anticipates the closing to occur by the end of the first quarter of 2023. There can be no assurances that the TEG Acquisition will be consummated on the foregoing terms, if at all.

Pending Acquisition – WTG Fuels, LLC

On December 6, 2022, the Company entered into an asset purchase agreement with WTG Fuels Holdings, LLC and certain other sellers party thereto, pursuant to which the sellers have agreed to sell to the Company certain assets (the “WTG Acquisition”), including:

- 24 Uncle’s company-operated convenience stores located across western Texas; and
- 57 proprietary GASCARD-branded fleet fueling cardlock sites and 52 private cardlock sites located in western Texas and southeastern New Mexico.

The purchase price for the WTG Acquisition is approximately \$140.4 million plus the value of inventory on the closing date, subject to certain other closing adjustments. The Company intends to finance from its own sources approximately \$25.4 million plus the value of inventory and other closing adjustments. Oak Street, under the Program Agreement, has agreed to pay the remaining consideration to acquire certain of the real properties from the sellers, which the Company will lease from Oak Street.

The closing of the WTG Acquisition is subject to fulfillment of customary conditions precedent and the completion of various transition planning matters. The Company currently anticipates the closing to occur by the end of the second quarter of 2023. There can be no assurances that the WTG Acquisition will be consummated on the foregoing terms, if at all.

5. Trade Receivables, Net

Trade receivables consisted of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
Credit card receivables	\$ 42,806	\$ 30,113
Fleet fueling customer credit accounts receivables, net	33,082	—
Independent dealers and customer credit accounts receivables, net	42,252	32,229
Total trade receivables, net	\$ 118,140	\$ 62,342

An allowance for credit losses is provided based on management's evaluation of outstanding accounts receivable. The Company had reserved \$1.8 million and \$1.1 million for uncollectible fleet fueling customers, independent dealers and customer credit accounts receivables as of December 31, 2022 and 2021, respectively.

6. Inventory

Inventory consisted of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
Fuel inventory	\$ 80,004	\$ 63,102
Merchandise inventory	132,080	126,147
Lottery inventory	9,867	8,587
Total inventory	\$ 221,951	\$ 197,836

Merchandise inventory consisted primarily of cigarettes, other tobacco products, beer, wine, non-alcoholic drinks, candy, snacks, dairy products, prepackaged food and other grocery items.

7. Other Current Assets

Other current assets consisted of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
Vendor receivables	\$ 42,711	\$ 48,833
Asset resulting from contingent consideration	4,533	3,375
Prepaid expenses	15,543	13,116
Environmental receivables	1,083	1,119
Income tax receivable	800	3,340
Due from related parties	1,151	2,669
Other current assets	22,052	19,643
Total other current assets	\$ 87,873	\$ 92,095

8. Property and Equipment, Net

Property and equipment consisted of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
Land	\$ 115,276	\$ 104,492
Buildings and leasehold improvements	242,265	219,052
Equipment	633,511	508,000
Accumulated depreciation	(345,243)	(282,575)
Total property and equipment, net	\$ 645,809	\$ 548,969

Depreciation expense was \$68.8 million, \$60.2 million and \$49.5 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Standby Real Estate Program

On May 3, 2021, GPM entered into the Program Agreement with Oak Street. Pursuant to the Program Agreement, Oak Street has agreed to purchase, subject to the conditions contained in the Program Agreement, up to \$1.15 billion of convenience store and gas station real property, subject to the conditions contained in the Program Agreement, during the second year of the Program Agreement's term, which is inclusive of purchase agreements that GPM or an affiliate thereof, may from time to time enter into to acquire convenience stores and gas stations real property from third parties (each, a "Property"). The foregoing \$1.15 billion limit is in addition to the approximately \$130 million of funding utilized in July 2022 related to the Quarles Acquisition as described in Note 4.

Pursuant to the Program Agreement, upon any acquisition of a Property by Oak Street, or an affiliate thereof, GPM, or an affiliate thereof, would enter into a triple-net lease agreement with Oak Street or such affiliate pursuant to which GPM or such affiliate would lease such Property from Oak Street or such affiliate based upon commercial terms contained in the Program Agreement. The purchase price for any Property would similarly be subject to commercial terms agreed upon by GPM and Oak Street in the Program Agreement and if in connection with the acquisition of convenience stores and gas stations from third parties, consistent with the agreed upon purchase price or designation rights with the seller of the real estate. The Program Agreement has a two-year term expiring May 2, 2023, during which GPM may not sell or designate any Property pursuant to a sale-leaseback or similar transaction without first offering such Property to Oak Street in accordance with the terms and conditions of the Program Agreement. Certain Properties specified by GPM are not subject to the foregoing right of first offer, and the Program Agreement does not obligate GPM to sell any Property, or acquire any property from a third party for purposes of its sale, to Oak Street or assign the right to acquire the third party's real estate to Oak Street, unless GPM elects, in its sole discretion, to enter into a sale-leaseback, designation or similar transaction governed by the Program Agreement.

In the fourth quarter of 2021, Oak Street purchased from third parties approximately \$150 million of convenience store and gas station real property related to sites GPM leased as part of the Empire Acquisition in 2020 and the E-Z Mart acquisition in 2018. The Company had options to acquire ownership rights in these sites. Simultaneously, GPM entered into three triple-net lease agreements with Oak Street to lease the properties for a term of 20 years, with six five-year renewal options, which were classified as operating leases in the consolidated financial statements. As a result of accounting for these transactions as sale-leasebacks, the Company recorded a \$11.1 million loss on the Empire Acquisition sites and a \$11.0 million gain on the E-Z Mart acquisition sites included in other expenses, net in the consolidated statement of operations for the year ended December 31, 2021, including the write-off of the remaining value of the unexercised options to acquire ownership rights which expired. In addition, as part of these transactions, the Company purchased convenience store and gas station real property for total consideration of approximately \$9.0 million in 2021.

9. Goodwill and Intangible Assets

Goodwill

The Company reports revenue and operating results for its operating segments: retail, wholesale, fleet fueling and GPMP (see Note 23 for a description of these operating segments). The following summarizes the activity in goodwill, by segment:

	Retail	GPMP (in thousands)	Total
Beginning balance, January 1, 2021	\$ 14,861	\$ 159,076	\$ 173,937
Goodwill attributable to acquisitions during the year	—	7,556	7,556
Goodwill adjustment – Empire Acquisition	—	16,155	16,155
Ending balance, December 31, 2021	\$ 14,861	\$ 182,787	\$ 197,648
Goodwill attributable to acquisitions during the year	—	19,585	19,585
Goodwill adjustment – Handy Mart Acquisition	—	64	64
Ending balance, December 31, 2022	\$ 14,861	\$ 202,436	\$ 217,297

Intangible Assets, Net

Intangible assets consisted of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
Wholesale fuel supply agreements	\$ 202,512	\$ 198,232
Trade names	37,084	35,760
Options to acquire ownership rights and develop stores	6,372	6,372
Non-contractual customer relationships	25,220	—
Other intangibles	21,690	20,473
Accumulated amortization – Wholesale fuel supply agreements	(40,645)	(23,932)
Accumulated amortization – Trade names	(33,060)	(30,341)
Accumulated amortization – Options to acquire ownership rights and develop stores	(3,939)	(3,140)
Accumulated amortization – Non-contractual customer relationships	(525)	—
Accumulated amortization – Other intangibles	(17,586)	(17,431)
	\$ 197,123	\$ 185,993

Franchise rights and liquor licenses of \$3.1 million and \$2.5 million as of December 31, 2022 and 2021, respectively, were not being amortized.

Amortization expense related to definite lived intangible assets was \$20.9 million, \$23.6 million and \$12.2 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Estimated amortization expense for each of the next five years and thereafter is expected to be as follows:

Future Amortization Expense	Amount (in thousands)
2023	\$ 20,924
2024	19,954
2025	19,543
2026	19,250
2027	18,009
Thereafter	96,297
	\$ 193,977

10. Other Current Liabilities

The components of other current liabilities were as follows:

	As of December 31,	
	2022	2021
	(in thousands)	
Accrued employee costs	\$ 28,298	\$ 30,935
Fuel and other taxes	30,491	31,381
Accrued insurance liabilities	9,881	10,986
Accrued expenses	42,955	35,672
Environmental liabilities	3,425	3,459
Deferred vendor income	12,101	11,654
Accrued income taxes payable	4,056	—
Due to related parties	—	258
Liabilities resulting from Additional and Contingent Consideration	5,674	8,813
Ares Put Option	8,575	—
Other accrued liabilities	8,641	4,330
Total other current liabilities	\$ 154,097	\$ 137,488

Ares Put Option

On the Merger Closing Date, the Company entered into an arrangement that guarantees Ares (as defined in Note 12 below) a value of \$27.3 million at the end of February 2023 for the shares of common stock received by Ares pursuant to the GPM Equity Purchase Agreement (as defined in Note 17 below), by way of the Company's purchase of the shares or allotment of additional shares of common stock (the "Ares Put Option"). The embedded derivative recorded for the Ares Put Option has been evaluated under ASC 815, Derivatives and Hedging, and has been determined to not be clearly and closely related to the host instrument. The embedded derivative (a put option) is classified as liability. For further details, see Note 22 below.

11. Other Non-current Liabilities

The components of other non-current liabilities were as follows:

	As of December 31,	
	2022	2021
	(in thousands)	
Environmental liabilities	\$ 8,639	\$ 9,394
Deferred vendor income	26,715	23,872
Liabilities resulting from Additional and Contingent Consideration	7,256	11,855
Ares Put Option	—	8,904
Public Warrants	25,894	23,600
Private Warrants	4,515	7,240
Deferred Shares	1,436	1,563
Financial liabilities	96,864	43,647
Other non-current liabilities	7,626	6,778
Total other non-current liabilities	\$ 178,945	\$ 136,853

Public and Private Warrants

As of the Merger Closing Date, there were 17.3 million warrants to purchase Haymaker common stock outstanding for an exercise price of \$11.50 per share, consisting of 13.3 million public warrants (the "Public Warrants") and four million private warrants (the "Private Warrants"). Pursuant to the warrant agreement as amended on the Merger Closing Date, each whole warrant to purchase one share of Haymaker common stock became a warrant to purchase one share of the Company's common stock. The warrants will expire five years after the completion of the Merger Transaction, or earlier upon redemption or liquidation.

The Company may redeem not less than all of the outstanding Public Warrants:

- in whole and not in part;
- at a price of \$0.01 per warrant;
- upon a minimum of 30 days' prior written notice of redemption (the "30-day redemption period") to each warrant holder; and

•if, and only if, the reported last sale price of the common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganization, recapitalization and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the warrant holders.

If the Company calls the Public Warrants for redemption as described above, the Company’s management will have the option to require any holder that wishes to exercise its warrant to do so on a “cashless basis.”

The Private Warrants will not be redeemable by the Company so long as they are held by certain of the Haymaker Founders (as defined in Note 17 below) or their permitted transferees. Otherwise, the Private Warrants have terms and provisions that are substantially identical to those of the Public Warrants, including as to exercise price, exercisability and exercise period. If the Private Warrants are held by holders other than certain of the Haymaker Founders or its permitted transferees, the Private Warrants will be redeemable by the Company and exercisable by the holders on the same basis as the Public Warrants.

12. Debt

The components of debt were as follows:

	As of December 31,	
	2022	2021
	(in thousands)	
Senior Notes	\$ 443,648	\$ 442,889
PNC term loan	—	32,385
M&T debt	49,023	43,392
Capital One line of credit	256,430	195,232
Insurance premium notes	2,886	3,111
Total debt, net	\$ 751,987	\$ 717,009
Less current portion	(11,944)	(40,384)
Total long-term debt, net	\$ 740,043	\$ 676,625

Financing Agreements

Type of financing	Amount of financing	Financing payment terms	Interest rate	Interest rate as of December 31, 2022	Amount financed as of December 31, 2022 (in thousands)	Balance as of December 31, 2022 (net of deferred financing costs) (in thousands)
ARKO Corp.						
Senior Notes	\$450 million	The full amount of principal is due on maturity date of November 15, 2029.	Fixed rate	5.125%	\$ 450,000	\$ 443,648
GPM Investments, LLC						
PNC Line of Credit	Up to \$140 million	Maturity date of December 22, 2027.	For revolving advances that are Term SOFR Loans: SOFR Adjusted plus Term SOFR (as defined in the agreement) plus 1.25% to 1.75%	5.71%	None	
			For revolving advances that are domestic rate loans: Alternate Base Rate (as defined in the agreement) plus 0% to 0.5%		\$134,058 unused based on borrowing base	None
			Unused fee - 0.375% or 0.25% if usage is 25% or more			
M&T Term Loan	\$35 million	The principal is paid in equal monthly installments of approximately \$194 thousand based on a 15-year amortization schedule with the remaining balance of \$23.4 million due on the maturity date of June 10, 2026.	LIBOR plus 3.0%	7.31%	\$ 31,365	\$ 30,860
M&T Equipment Lines of Credit	Up to \$20 million	Current balance is being paid in equal monthly installments of approximately \$590 thousand (principal and interest) with the balance due on the maturity dates in August and September 2024 and September 2025.	Fixed rate	3.58% to 6.90%	\$15,411 \$887 unused	\$ 15,333
Other M&T Term Loans	\$3.5 million	The principal is being paid in equal monthly installments including interest of approximately \$36 thousand with the remaining balance due on the maturity dates ranging from December 2023 through August 2031.	Fixed rate	3.91% to 5.26%	\$ 2,854	\$ 2,830
GPMP						
GPMP Capital One Line of Credit	Up to \$500 million	The full amount of the principal is due on the maturity date of July 15, 2024.	For SOFR Loans: Adjusted Term SOFR (as defined in the agreement) plus 2.25% to 3.25%	6.58%	\$258,300	
			For alternate base rate loans: Alternate Base Rate (as defined in the agreement) plus 1.25% to 2.25%		No borrowings under the Alternate Base rate	\$ 256,430
			Unused fee ranges from 0.3% to 0.50%		\$241,000 unused	
Total					\$	749,101

Senior Notes

On October 21, 2021, the Company completed a private offering of \$450 million aggregate principal amount of 5.125% Senior Notes due 2029 (the “Senior Notes”), pursuant to a note purchase agreement dated October 14, 2021, by and among the Company, certain of the Company’s wholly owned domestic subsidiaries (the “Guarantors”), and BofA Securities, Inc., as representative of the several initial purchasers named therein. The Senior Notes are guaranteed, on an unsecured senior basis, by all of the Guarantors.

The Company used a portion of the net proceeds from the issuance and sale of the Senior Notes to repay in full approximately \$223 million of outstanding obligations under the Ares Credit Agreement and \$200 million of the outstanding obligations under the Capital One Line of Credit. The indenture governing the Senior Notes contains customary restrictive covenants that, among other things, generally limit the ability of the Company and substantially all of its subsidiaries to (i) create liens, (ii) pay dividends, acquire shares of capital stock and make payments on subordinated debt, (iii) place limitations on distributions from certain subsidiaries, (iv) issue or sell the capital stock of certain subsidiaries, (v) sell assets, (vi) enter into transactions with affiliates, (vii) effect mergers and (viii) incur indebtedness.

The Senior Notes and the guarantees rank equally in right of payment with all of the Company's and the Guarantors' respective existing and future senior unsubordinated indebtedness and are effectively subordinated to all of the Company's and the Guarantors' existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness; and are structurally subordinated to any existing and future obligations of subsidiaries of the Company that are not Guarantors.

Financing Agreements with PNC Bank, National Association ("PNC")

PNC Credit Agreement

GPM and certain subsidiaries have a financing arrangement with PNC (as amended, the "PNC Credit Agreement") that provides a line of credit for purposes of financing working capital (the "PNC Line of Credit"). The calculation of the availability under the PNC Credit Agreement is determined monthly subject to terms and limitations as set forth in the PNC Credit Agreement, taking into account the balances of receivables, inventory and letters of credit, among other things. PNC has a first priority lien on receivables, inventory and rights in bank accounts (other than assets that cannot be pledged due to regulatory or contractual obligations).

On December 20, 2022, GPM entered into an eighth amendment to the PNC Credit Agreement (the "Eighth Amendment") which effected the following primary changes: (1) extended the maturity date by five years to December 22, 2027; (2) replaced LIBOR with SOFR (as defined in the Eighth Amendment) as an interest rate benchmark, including the replacement of LIBOR Rate Loans, with interest periods of one, two and three months, with adjusted Term SOFR Rate Loans (as defined in the Eighth Amendment), with interest periods of one and three months; (3) revised certain negative covenants to provide additional flexibility, including increased fixed dollar baskets and introduction of basket increases based on average undrawn availability; (4) added cardlock receivables as a portion of the borrowing base under certain circumstances; and (5) increased certain thresholds for events of default. The Company did not incur additional debt or receive any proceeds in connection with the Eighth Amendment.

Prior to the Eighth Amendment, the PNC Line of Credit bore interest, as elected by GPM at: (a) LIBOR plus a margin of 1.75% or (b) a rate per annum equal to the alternate base rate plus a margin of 0.5%, which was equal to the greatest of (i) the PNC base rate, (ii) the overnight bank funding rate plus 0.5%, and (iii) LIBOR plus 1.0%, subject to the definitions set in the agreement. Every quarter, the LIBOR margin rate and the alternate base rate margin rate were updated based on the quarterly average undrawn availability of the PNC Line of Credit.

The PNC Line of Credit contains customary restrictive covenants and events of default.

GPMP PNC Term Loan

On August 15, 2022, GPMP repaid in its entirety and voluntarily terminated its term loan and security agreement, dated January 12, 2016 (as amended, the "GPMP PNC Term Loan Agreement"), by and among GPMP, as borrower, certain of the Company's subsidiaries as guarantors, the lenders party thereto, and PNC, as agent, which had provided for a secured term loan in the aggregate principal amount of \$32.4 million (the "GPMP PNC Term Loan"). The GPMP PNC Term Loan was scheduled to mature on December 22, 2022; however, the Company elected to prepay all amounts outstanding under the GPMP PNC Term Loan Agreement, upon which prepayment all related security interests were terminated and released. The Company did not incur any early termination penalties in connection with the termination of the GPMP PNC Term Loan Agreement.

M&T Bank Credit Agreement

On June 24, 2021, GPM amended and restated its credit agreement with M&T Bank (the "M&T Credit Agreement") and related master covenant agreement. The M&T Credit Agreement includes a three-year \$20.0 million line of credit for purchases of equipment, which line may be borrowed in tranches, as described below, and \$35.0 million of real estate loans (the "M&T Term Loan").

The Company has pledged the property of 40 sites and certain equipment as collateral to support the M&T Term Loan. The M&T Credit Agreement provides that each additional equipment loan tranche will have a three-year term, payable in level monthly payments of principal plus interest, and will accrue a fixed rate of interest equal to M&T Bank's three-year cost of funds as of the applicable date of such tranche, plus 3.00%. The real estate loans and equipment loans are both secured by the real property and equipment acquired with the proceeds of such loans.

Financing agreement with a syndicate of banks led by Capital One, National Association

In July 2019, GPMP entered into a credit agreement with a syndicate of banks led by Capital One, National Association (as amended, the "Capital One Credit Facility"), which currently provides for a revolving credit facility in an aggregate principal amount of up to \$500 million (as amended, the "Capital One Line of Credit"). At GPMP's request, the Capital One Line of Credit can be increased up to \$700 million, subject to obtaining additional financing commitments from current lenders or from other banks, and subject to certain terms as detailed in the Capital One Line of Credit.

The Capital One Credit Facility is available for general partnership purposes, including working capital, capital expenditures and permitted acquisitions. All borrowings and letters of credit under the Capital One Credit Facility are subject to the satisfaction of certain customary conditions, including the absence of any default or event of default and the accuracy of representations and warranties. The Capital One Credit Facility is secured by substantially all of GPMP and its subsidiaries' properties and assets, and pledges of the equity interests in all present and future subsidiaries (subject to certain exceptions as permitted under the Capital One Credit Facility).

On December 9, 2022, GPMP entered into an amendment to the Capital One Line of Credit to replace LIBOR with SOFR as an interest rate benchmark. Prior to the amendment, the Capital One Line of Credit bore interest, as elected by GPMP at: (a) LIBOR plus a margin of 2.25% to 3.25% or (b) a rate per annum equal to base rate plus a margin of 1.25% to 2.25%, which was equal to the greatest of (i) Capital One's prime rate, (ii) the one-month LIBOR plus 1.0%, and (iii) the federal funds rate plus 0.5%, subject to the definitions set in the agreement. The margin was determined according to a formula in the Capital One Line of Credit that depends on GPMP's leverage.

Ares Credit Agreement

In February 2020, GPM entered into an agreement with Ares Capital Corporation and certain funds managed or controlled by Ares Capital Management (collectively, "Ares") to provide financing (as amended, the "Ares Credit Agreement"), in an aggregate principal amount of \$225 million, which was secured by a pledge on substantially all of the assets of GPM and certain of its wholly owned subsidiaries (the "Ares Term Loan"). The principal of the Ares Term Loan was payable in four equal quarterly installments in a total amount of 1% per annum with the remaining balance due on the maturity date of February 28, 2027. The Ares Term Loan bore interest at ABR plus 3.75% (which was reduced to 3.50% in March 2021) or LIBOR (not less than 1.5% and not less than 1.0% as amended in March 2021) plus 4.75% (which was reduced to 4.50% in March 2021). On October 21, 2021, the Company used a portion of the proceeds from the issuance of the Senior Notes to repay in full all of its obligations to Ares and terminate the Ares Credit Agreement.

Letters of Credit

Financing Facility	Annual Cost as of December 31, 2022	Amount available for letters of credit	Letters of credit issued as of December 31, 2022
PNC Line of Credit	1.5%	\$40.0 million	\$5.8 million
Capital One Credit Facility	1.5%	\$40.0 million	\$0.7 million

The letters of credit were issued in connection with certain workers' compensation and general insurance liabilities and fuel purchases from one supplier. The letters of credit will be drawn upon only if GPM does not comply with the time schedules for the payment of associated liabilities.

Bonds (Series C)

In 2016 through 2018, Arko Holdings issued bonds (Series C), bearing a fixed annual interest rate of 4.85% (the "Bonds (Series C)"). The gross proceeds amounted to a total of approximately \$105 million. The principal of the Bonds (Series C) was payable in annual installments through 2024 and the interest on the Bonds (Series C) was payable in semi-annual installments.

On March 30, 2021, Arko Holdings exercised its right to fully redeem the Bonds (Series C). The total amount paid to holders of the Bonds (Series C) in connection with the redemption (including additional interest for the early redemption and accrued and unpaid interest thereon to the redemption date) was approximately NIS 264 million (approximately \$79 million).

Insurance Premium Notes

During the ordinary course of business, the Company finances insurance premiums with notes payable. These notes are generally entered into for a term of 18 months or less.

Total scheduled future principal payments required and amortization of deferred financing costs under all of the foregoing debt agreements were as follows as of December 31, 2022:

	Amount (in thousands)
2023	\$ 12,165
2024	267,224
2025	5,720
2026	25,128
2027	115
Thereafter	450,464
	760,816
Deferred financing costs	(8,829)
Total debt	\$ 751,987

Deferred Financing Costs

Deferred financing costs of \$0.6 million and \$8.3 million were incurred in the years ended December 31, 2022 and 2021, respectively. As of December 31, 2022 and 2021, the gross value of deferred financing costs of \$14.1 million and \$14.6 million, respectively, and accumulated amortization of \$4.8 million and \$3.3 million, respectively, were recorded as a direct reduction from the carrying amount of the associated debt liabilities, with the exception of \$0.5 million and \$0.2 million which were recorded as a prepaid asset related to the unused PNC Line of Credit, respectively. Amortization of deferred financing costs, debt discount and premium, including the write-off of deferred financing costs due to the early repayment of debt, was \$2.5 million, \$9.3 million and \$2.2 million for the years ended December 31, 2022, 2021 and 2020, respectively. Such amounts were classified as a component of interest and other financial expenses in the consolidated statements of operations.

Financial Covenants

As part of the PNC Credit Agreement, increased reporting requirements were set in cases where the usage of the PNC Line of Credit exceeds certain thresholds, and also it is required that the undrawn availability of the PNC Line of Credit will equal to or be greater than 10%, subject to exceptions included in the PNC Credit Agreement.

The M&T Credit Agreement requires GPM to maintain a leverage ratio and a debt service coverage ratio.

The Capital One Credit Facility requires GPMP to maintain certain financial covenants, including a leverage ratio and an interest coverage expense ratio.

As of December 31, 2022, the Company was in compliance with all of the obligations and financial covenants under the terms and provisions of its loans with financial institutions.

13. Commitments and Contingencies

Environmental Liabilities and Contingencies

The Company is responsible for certain environmental costs and legal expenses arising in the ordinary course of business. See Note 15 for further discussion.

Asset Retirement Obligation

As part of the fuel operations at its operated convenience stores, at most of the other owned and leased locations leased to independent dealers, certain other independent dealer locations and proprietary cardlock locations, there are aboveground and underground storage tanks for which the Company is responsible. The future cost to remove a storage tank is recognized over the estimated remaining useful life of the storage tank or the termination of the applicable lease. A liability for the fair value of an asset retirement obligation with a corresponding increase to the carrying value of the related long-lived asset is recorded at the time a storage tank is installed. The amount added to equipment or right-of-use asset is amortized and accretion expense is recognized in connection with the discounted liability over the remaining life of the respective storage tanks. The accretion of the asset retirement obligation is recorded in interest and other financial expenses in the consolidated statements of operations.

The estimated liability is based upon historical experience in removing storage tanks, estimated tank useful lives, external estimates as to the cost to remove the tanks in the future and current and anticipated federal and state regulatory requirements governing the removal of tanks, and discounted. The asset retirement obligations are re-evaluated annually and revisions to the liability could occur due to changes in estimates of tank removal costs or timing, tank useful lives or whether federal or state regulators enact new guidance on the removal of such tanks. The non-current portion of the asset retirement obligation is included in non-current liabilities in the consolidated balance sheets.

A reconciliation and roll forward of the liability for the removal of its storage tanks was as follows:

	2022	(in thousands)		2021
Beginning Balance as of January 1,	\$	58,428	\$	53,235
Acquisitions in year		5,870		3,796
Accretion expense		1,833		1,705
Adjustments		(727)		(178)
Retirement of tanks		(95)		(130)
Ending Balance as of December 31, (*)	\$	65,309	\$	58,428

(*) \$400 thousand and \$407 thousand were recorded to other current liabilities in the consolidated balance sheets as of December 31, 2022 and 2021, respectively.

Fuel Vendor Agreements

GPMP enters into fuel supply contracts with various major fuel suppliers. These fuel supply contracts have expiration dates at various times through June 2032. In connection with certain of these fuel supply and related incentive agreements, upfront payments and other vendor assistance payments for rebranding costs and other incentives were received. If GPMP defaults under the terms of any contract, including not purchasing committed fuel purchase volume, or terminates any supply agreement prior to the end of the applicable term, GPMP must refund and reimburse the respective fuel supplier for the unearned unamortized portion of the payments received to date, based on the amortization schedule outlined in each respective agreement and refund other benefits from each supplier subject to the terms that were set in the incentive agreement, as well as pay a penalty with regard to the early termination if applicable. The payments are amortized and recognized as a reduction to fuel costs using the straight-line method based on the term of each agreement or based on fuel volume purchased. The amount of the unamortized liability was \$31.4 million and \$27.5 million as of December 31, 2022 and 2021, respectively, which were recorded in other current and non-current liabilities on the consolidated balance sheets. The legal liability period in these fuel supply agreements can extend beyond the amortization period, and differ in the amortization schedule, used for book purposes.

Purchase Commitments

In the ordinary course of business, the Company has entered into agreements with fuel suppliers to purchase inventories for varying periods of time. The fuel vendor agreements with suppliers require minimum volume purchase commitments of branded gasoline, which vary throughout the period of supply agreements and distillates annually. The future minimum volume purchase requirements under the existing supply agreements are based on gallons, with a purchase price at prevailing market rates for wholesale distributions. If the Company fails to purchase the required minimum volume during a contract year, the underlying supplier's exclusive remedies (depending on the magnitude of the failure) are either termination of the supply agreement and/or an agreed monetary compensation. Based upon GPMP's current and future expected purchases, the Company does not anticipate incurring penalties for volume shortfalls with isolated de minimis exceptions.

In light of the reduction in the number of gallons sold since the onset of the COVID-19 pandemic, certain of the Company's principal fuel suppliers have waived the requirements under their agreements with the Company to purchase minimum quantities of gallons, including such requirements under the incentive agreements from such suppliers. As of December 31, 2022, the reduction in gallons sold did not affect the Company's ability to receive incentives under the agreements with its principal suppliers.

The total future minimum gallon volume purchase requirements from fuel vendors were as follows:

	Gallons (in thousands)
2023	407,570
2024	293,203
2025	191,155
2026	169,512
2027	169,512
Thereafter	678,049
Total	1,909,001

Merchandise Vendor Agreements

The Company enters into various merchandise product supply agreements with major merchandise vendors. The Company receives incentives for agreeing to exclusive distribution rights for the suppliers of certain products.

Legal Matters

The Company is a party to various legal actions, as both plaintiff and defendant, in the ordinary course of business. The Company's management believes, based on estimations with support from legal counsel for these matters, that these legal actions are routine in nature and incidental to the operation of the Company's business and that it is not reasonably possible that the ultimate resolution of these matters will have a material adverse impact on the Company's business, financial condition, results of operations and cash flows.

14. Leases

Lessee

As of December 31, 2022, the Company leased 1,144 of the convenience stores that it operates, 173 independent dealer locations, 113 cardlock locations and certain office and storage spaces, including land and buildings in certain cases. Most of the lease agreements are for long-term periods, ranging from 15 to 20 years, and generally include several renewal options for extension periods for five to 25 years each. Additionally, the Company leases certain store equipment, office equipment, automatic tank gauges and fuel dispensers.

As of December 31, 2022, there are approximately 775 sites which are leased under 38 separate master lease agreements. Master leases with 10 lessors encompass a total of approximately 735 sites. Master leases with the same landlord contain cross-default provisions, in most cases. In most instances of leases of multiple stores from one landlord, each one under a separate lease agreement, the lease agreements contain cross-default provisions between all or some of the other lease agreements with the same landlord.

The lease agreements include lease payments that are set at the beginning of the lease, but which may increase by a specified increment or pursuant to a formula both during the course of the initial period and any additional option periods.

Some of the lease agreements include escalation clauses based on the consumer price index, with the majority of these lease agreements including an increase in the consumer price index coupled with a multiplier and a percentage increase cap which effectively assures the cap will be reached each year. Lease payments determined as in-substance fixed payments are included in the lease payments used for the measurement of the lease liabilities. Some of the lease agreements include lease payments which are contingent upon fuel and merchandise sales (these amounts were not material during the above periods). In some of the lease agreements, the right of first refusal to purchase the sites from the lessor is given and in some of the lease agreements an option to purchase the sites from the lessor is given.

The leases are typically triple net leases whereby the lessor is responsible for the repair and maintenance at the site, insurance and property taxes in addition to environmental compliance.

The components of lease cost recorded on the consolidated statements of operations were as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Finance lease cost:			
Depreciation of right-of-use assets	\$ 12,061	\$ 13,393	\$ 12,743
Interest on lease liabilities	17,041	17,515	17,391
Operating lease costs included in store operating expenses	142,730	131,106	112,541
Operating lease costs included in general and administrative expenses	1,753	1,652	1,404
Lease cost related to variable lease payments, short-term leases and leases of low value assets	2,390	2,037	1,153
Right-of-use asset impairment charges	1,661	1,799	2,352
Total lease costs	\$ 177,636	\$ 167,502	\$ 147,584

For the years ended December 31, 2022, 2021 and 2020, total cash outflows for leases amounted to approximately \$139.0 million, \$128.4 million and \$106.3 million for operating leases, respectively, and \$23.6 million, \$25.0 million and \$24.7 million for financing leases, respectively.

Supplemental balance sheet data related to leases was as follows:

	As of December 31,	
	2022	2021
	(in thousands)	
Operating leases		
Assets		
Right-of-use assets under operating leases	\$ 1,203,188	\$ 1,064,982
Liabilities		
Operating leases, current portion	57,563	51,261
Operating leases	1,218,045	1,076,905
Total operating leases	1,275,608	1,128,166
Weighted average remaining lease term (in years)	14.1	14.1
Weighted average discount rate	7.7 %	7.3 %
Financing leases		
Assets		
Right-of-use assets	\$ 232,986	\$ 236,963
Accumulated amortization	(50,873)	(44,585)
Right-of-use assets under financing leases, net	182,113	192,378
Liabilities		
Financing leases, current portion	5,457	6,383
Financing leases	225,907	229,215
Total financing leases	231,364	235,598
Weighted average remaining lease term (in years)	23.4	23.8
Weighted average discount rate	7.2 %	7.3 %

As of December 31, 2022, maturities of lease liabilities for operating lease obligations and financing lease obligations having an initial or remaining non-cancellable lease terms in excess of one year were as follows. The minimum lease payments presented below include periods where an option is reasonably certain to be exercised and do not take into consideration any future consumer price index adjustments for these agreements.

	Operating	Financing
	(in thousands)	
2023	\$ 151,974	\$ 21,974
2024	153,275	20,922
2025	154,183	21,039
2026	153,603	20,664
2027	151,580	20,719
Thereafter	1,398,188	424,787
Gross lease payments	\$ 2,162,803	\$ 530,105
Less: imputed interest	(887,195)	(298,741)
Total lease liabilities	\$ 1,275,608	\$ 231,364

Lessor

The Company leases and subleases owned and leased properties to independent dealers and other tenants and subtenants which are accounted for as operating subleases. The majority of leases and subleases are for periods of up to 10 years, which may be a fixed period or a shorter period with an option or series of renewal options, and in certain cases with additional renewal options past such 10-year period. Some of the lease agreements include lease payments which are based upon such tenant's or subtenants' sales subject to fixed minimum lease payments. At the time that an agreement is entered into, the independent dealers and other tenants and subtenants often post a security deposit as collateral. Total operating sublease income was approximately \$22.1 million, \$20.7 million and \$11.8 million for the years ended December 31, 2022, 2021 and 2020, respectively. Sublease income is included in other revenues, net in the consolidated statements of operations.

As of December 31, 2022, the future minimum cash payments to be received under these operating subleases that have initial or remaining non-cancelable terms in excess of one year were as follows:

	Amount (in thousands)
2023	\$ 21,449
2024	16,039
2025	14,646
2026	12,799
2027	10,048
Thereafter	31,340
	\$ 106,321

15. Environmental Liabilities

The Company is subject to certain federal and state environmental laws and regulations associated with sites at which it stores and sells fuel and other fuel products, as well as at owned and leased locations leased or subleased to independent dealers.

Costs incurred to comply with federal and state environmental regulations are accounted for as follows:

- Annual payments for registration of storage tanks are recorded as prepaid expenses when paid and expensed throughout the year.
- Environmental compliance testing costs of storage tanks are expensed as incurred.
- Payments for upgrading and installing corrosion protection for tank systems and installation of leak detectors and overflow/spill devices are capitalized and depreciated over the expected remaining useful life of the relevant UST or the lease period of the relevant site in which the UST is installed, whichever is shorter. Leak detectors installed are capitalized and depreciated over the expected remaining useful life of the equipment.
- Costs for removal of storage tanks located at the convenience stores, selected independent dealer locations and certain cardlock locations are classified under the asset retirement obligation section as described in Note 13.
- A liability for future remediation costs of contaminated sites related to storage tanks as well as other exposures, is established when such losses are probable and reasonably estimable. Reimbursement for these expenses from government funds or from insurance companies is recognized as a receivable. The liabilities and receivables are not discounted to their present value. The net change in the reimbursement asset and liability for future remediation costs is recorded in store operating expenses in the consolidated statements of operations. The adequacy of the reimbursement asset and liability is evaluated by a third party at least twice annually and adjustments are made based on past experience, changing environmental conditions and changes in government policy.

As of December 31, 2022 and 2021, environmental obligations totaled \$12.1 million and \$12.9 million, respectively. These amounts were recorded as other current and non-current liabilities in the consolidated balance sheets. Environmental reserves have been established on an undiscounted basis based upon internal and external estimates in regard to each site. It is reasonably possible that these amounts will be adjusted in the future due to changes in estimates of environmental remediation costs, the timing of the payments or changes in federal and/or state environmental regulations.

The Company maintains certain environmental insurance policies and participates in various state underground storage tank funds that entitle it to be reimbursed for environmental loss mitigation. Estimated amounts that will be recovered from its insurance policies and various state funds for the exposures totaled \$4.9 million and \$5.1 million as of December 31, 2022 and 2021, respectively, and were recorded as other current and non-current assets in the consolidated balance sheets.

The undiscounted amounts of future estimated payments and anticipated recoveries from insurance policies and various state funds as of December 31, 2022 were as follows:

	Payments	Recoveries (in thousands)	Net Obligations
2023	\$ 3,425	\$ 1,083	\$ 2,342
2024	3,911	1,922	1,989
2025	2,185	1,139	1,046
2026	550	148	402
2027	447	122	325
Thereafter	1,546	528	1,018
Total Future Payments and Recoveries	\$ 12,064	\$ 4,942	\$ 7,122

16. Income Taxes

The Company and its subsidiaries file federal, state, local and foreign income tax returns in jurisdictions with varying statutes of limitation. The Company's subsidiary, GPM, had been classified through July 31, 2022 as a partnership for U.S. federal and certain state jurisdictions for income tax purposes.

In the third quarter of 2022, the Company, in order to streamline business operations and provide long term synergies and other cost savings, approved an internal entity realignment and streamlining of certain direct and indirect subsidiaries. The internal realignment involved a series of steps, the majority of which were completed by the end of the third quarter of 2022. As part of the internal restructuring plan, the tax status of certain subsidiaries changed from nontaxable to taxable. Accordingly, the recognition and derecognition of certain deferred taxes are reflected in the continuing operations as of the date on which the change in tax status occurred. The Company recorded a one-time non-cash tax expense in the amount of approximately \$8.9 million for the year ended December 31, 2022 in connection with the internal entity realignment. The recording of this deferred tax expense aligned the Company's deferred tax assets and liabilities to reflect the temporary differences between the financial statement and tax basis of the Company's assets and liabilities at the time of the change in status. As a result of the internal entity realignment, effective July 31, 2022, Arko Convenience Stores, LLC, a wholly owned subsidiary of the Company, became the 100% owner of GPM, which was then classified as a disregarded entity for U.S. federal tax purposes.

The Company has income tax net operating losses ("NOL") and tax credit carryforwards related to both domestic and international operations. As of December 31, 2022, the Company has recorded a deferred tax asset of \$5.3 million reflecting the benefit of \$33.1 million in loss carryforwards and \$5.1 million in tax credits. The deferred tax assets expire as follows:

	Amount (in thousands)	Expiration Date
Domestic state NOL	\$ 11,602	2032 - Indefinite
Foreign NOL	18,963	Indefinite life
Foreign capital loss	2,557	Indefinite life
Foreign tax credits	5,136	2022 - 2027

At each balance sheet date, the Company's management assesses available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. This assessment is performed tax jurisdiction by tax jurisdiction. Based on this assessment, a valuation allowance has been recorded to reflect the portion of the deferred tax asset that is more likely than not to be realized.

The Company recorded a valuation allowance related to U.S. jurisdictions in the amount of \$0.4 million and \$0.0 million, respectively, as of December 31, 2022 and 2021 to recognize that a portion of the deferred tax asset will not be realized based on the more likely than not standard. In 2021, the Company released the valuation allowance in one tax jurisdiction which resulted in a \$5.5 million benefit to the current rate. The release of the prior valuation allowance was based on the Company's current earnings and anticipated future earnings. The Company has recorded a 100% valuation allowance against its foreign subsidiaries' deferred tax assets in the amount of \$10.7 million to recognize that the deferred tax asset will not be realized based on the more likely than not standard. A significant piece of objective negative evidence evaluated was the cumulative loss incurred over the respective three-year period in this jurisdiction. Such objective evidence limits the ability to consider other subjective evidence such as the Company's projections for future growth.

The benefits of tax positions are not recorded unless it is more likely than not the tax position would be sustained upon challenge by the appropriate tax authorities. As of December 31, 2022 and 2021, the Company and its subsidiaries have recorded \$0.3

million and \$0.6 million, respectively, for unrecognized tax benefits related to state exposures. A reconciliation of the beginning and ending balances of uncertain tax positions included in other current liabilities on the consolidated balance sheets was as follows:

	2022	2021
	(in thousands)	
Beginning balance as of January 1,	\$ 600	\$ 600
Additions for tax positions taken in prior years	—	931
Reductions of tax positions taken in prior years	—	—
Reductions for settlements on tax positions of prior years	(339)	(931)
Ending balance as of December 31,	<u>\$ 261</u>	<u>\$ 600</u>

Each of the Company's subsidiaries is subject to examination in their respective filing jurisdiction. For the Company's U.S. subsidiaries, tax years ending after December 31, 2018 remain open. The Company's foreign subsidiaries' tax returns up to and including tax year 2017 are considered closed due to the statute of limitations.

Earnings before income taxes were as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Domestic (U.S.)	\$ 106,365	\$ 73,338	\$ 38,762
Foreign (Israel)	1,170	(2,277)	(9,622)
Total	<u>\$ 107,535</u>	<u>\$ 71,061</u>	<u>\$ 29,140</u>

The components of the income tax provision were as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Current:			
Domestic federal	\$ 6,907	\$ 1,535	\$ 690
Domestic state and local	6,350	5,251	2,558
Total current	13,257	6,786	3,248
Deferred:			
Domestic federal	19,830	7,550	(3,399)
Domestic state and local	2,470	(2,702)	(1,348)
Total deferred	22,300	4,848	(4,747)
Total income tax expense (benefit)	<u>\$ 35,557</u>	<u>\$ 11,634</u>	<u>\$ (1,499)</u>

The reconciliation of significant differences between income tax expense applying the US statutory rate and the actual income tax expense (benefit) at the effective rate were as follows:

	For the Year Ended December 31,					
	2022		2021		2020	
	(in thousands)					
Income tax expense (benefit) at the statutory rate	\$ 22,582	21.0 %	\$ 14,923	21.0 %	\$ 6,119	21.0 %
Increases (decreases):						
Internal entity realignment, change in entity status (*)	8,880	8.3 %	—	0.0 %	—	0.0 %
Non-controlling interest in partnership	(58)	(0.1) %	(48)	(0.1) %	(3,412)	(11.7) %
State income taxes, net of federal income tax benefit	6,470	6.0 %	3,444	4.8 %	2,188	7.5 %
International rate differential	23	0.0 %	(425)	(0.6) %	262	0.9 %
Non-deductible expenses	1,392	1.3 %	1,941	2.7 %	470	1.6 %
Investment in partnership	—	0.0 %	—	0.0 %	850	2.9 %
Valuation allowance	(2,222)	(2.1) %	(3,892)	(5.5) %	(7,550)	(25.9) %
Credits	(1,319)	(1.2) %	(1,880)	(2.6) %	(1,066)	(3.7) %
Other rate differentials	(191)	(0.1) %	(2,429)	(3.4) %	640	2.3 %
Total	<u>\$ 35,557</u>	<u>33.1 %</u>	<u>\$ 11,634</u>	<u>16.3 %</u>	<u>\$ (1,499)</u>	<u>(5.1) %</u>

(*) refer to details above.

The above components reflect that for the three years ended December 31, 2022, the registrant filer was the Company, a U.S. (domestic) entity. Refer to Note 1 for details regarding the Merger Transaction.

Significant components of deferred income tax assets and liabilities consisted of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
Deferred tax assets:		
Asset retirement obligation	\$ 16,290	\$ 1,616
Inventory	376	221
Lease obligations	375,299	72,944
Financial liabilities	24,607	—
Accrued expenses	4,054	213
Deferred income	9,868	1,024
Fuel supply agreements	61,816	—
Environmental liabilities	1,780	168
Transaction costs	2,224	2,273
Investment in partnership	13,754	33,332
Share-based compensation	3,936	224
Net operating loss carryforwards	5,291	11,922
Credits	5,136	11,971
Other	2,302	1,169
Total deferred tax assets	526,733	137,077
Valuation allowance	(11,142)	(13,416)
Total deferred tax assets, net	515,591	123,661
Deferred tax liabilities:		
Property and equipment	(123,931)	(10,540)
Intangible assets	(19,810)	(1,214)
Right-of-use assets	(345,902)	(66,097)
Prepaid expenses	(3,208)	(580)
Translation adjustments	—	(2,097)
Other	(12)	(4,632)
Total deferred tax liabilities	(492,863)	(85,160)
Net deferred tax asset	<u>\$ 22,728</u>	<u>\$ 38,501</u>

17. Equity and Temporary Equity

Dividends

The Company's board of directors (the "Board") declared, and the Company paid, dividends of \$0.09 per share of common stock in 2022, totaling \$10.9 million. The amount and timing of dividends payable on the common stock are within the sole discretion of the Board, which will evaluate dividend payments within the context of the Company's overall capital allocation strategy on an ongoing basis, giving consideration to its current and forecasted earnings, financial condition, cash requirements and other factors. As a result of the dividends paid on the common stock, the conversion price of the Company's Series A convertible preferred stock has been adjusted from \$12.00 to \$11.91 per share, as were the threshold share prices in the Deferred Shares agreement (as defined below). The Board declared a quarterly dividend of \$0.03 per share of common stock, to be paid on March 21, 2023 to stockholders of record as of March 9, 2023.

Share Repurchase Plan

In February 2022, the Board authorized a share repurchase program for up to an aggregate of \$50 million of outstanding shares of common stock. The share repurchase program does not have a stated expiration date. In the year ended December 31, 2022, the Company repurchased approximately 4.5 million shares of common stock under the repurchase program for approximately \$39.0 million, or an average share price of \$8.60.

Series A Redeemable Preferred Stock

On November 18, 2020, the Company entered into a subscription agreement with certain investors (the "Subscription Agreement") for the purchase by such investors of 700,000 shares of the Company's Series A convertible preferred stock, par value \$0.0001 per share (the "Series A Stock") at the Merger Closing Date and up to an aggregate of additional 300,000 shares of the Company's Series A Stock if, and to the extent the Company exercises its right to sell such additional shares (which the Company exercised on December 14, 2020) so that on the Merger Closing Date, 1,000,000 shares of Series A Stock were issued. The shares of the Series A Stock were issued at a price per share of \$100.

The key terms of the Series A Stock are as follows:

•**Conversion:** Each share of Series A Stock is convertible into shares of the Company at the holder's option at any time after the date of issuance of such share for a conversion price equal to \$12.00 per share of Series A Stock, adjusted for customary recapitalization events including common stock dividends (the "Conversion Rate"), which Conversion Rate was \$11.91 as of December 31, 2022. Holders are entitled to up to a total of 1.2 million additional shares of the Company's common stock (the "Bonus Shares") upon any optional conversion of Series A Stock by the holder for which notice of conversion is provided after June 1, 2027, but prior to August 31, 2027. The specific number of Bonus Shares will be determined according to the Company's volume weighted average price (the "VWAP") for the 30 trading days prior to June 1, 2027, adjusted for customary recapitalization events. Each share of Series A Stock will automatically convert into fully paid and nonassessable shares of the Company's common stock at the then-applicable Conversion Rate, if, at any time during target periods as set forth in the amended and restated Certificate of Incorporation of the Company (the "Charter"), the VWAP of the Company's common stock equals or exceeds the applicable target price as agreed in the Charter for that period (ranging between \$15.50 to \$18 per share for the period until March 31, 2025 and \$18 thereafter, adjusted for any customary recapitalization events), provided that the average daily trading volume for the Company's common stock is at least \$7.5 million.

•**Dividends:** Holders are entitled to receive, when, if, and as declared by the Board, cumulative dividends at the annual rate of 5.75% of the then-applicable Liquidation Preference (as defined below) per share of Series A Stock, paid or accrued quarterly in arrears (the "Dividend Rate"). If the Company fails to pay a dividend for any quarter at the then-prevailing Dividend Rate, then for purposes of calculating the accrual of unpaid dividends for such quarter then ended, dividends will be calculated to have accrued at the then-prevailing Dividend Rate plus 3% on an annual basis provided that the Dividend Rate will, in no event, exceed an annual rate of 14.50%, and will revert to 5.75% upon the Company paying in cash all then-accrued and unpaid dividends on the Series A Stock. If the Company breaches any of the protective provisions set forth below or fails to redeem the Series A Stock upon the proper exercise of any redemption right by the holders, the Dividend Rate will increase to an annual rate of 15% for so long as such breach or failure to redeem remains in effect.

•**Redemption:** At any time on or after August 31, 2027, holders of at least a majority of the then outstanding shares of the Series A Stock or the Company may deliver written notice requesting or notifying of redemption of all or a portion of shares of the Series A Stock at a price equal to the Liquidation Preference (as defined below).

In addition, if the Company undergoes a change of control (as defined in the Charter), each holder, at such holder's election, may require the Company to purchase all or a portion of such holder's shares of Series A Stock that have not been converted, at a purchase price per share of Series A Stock, payable in cash, equal to the greater of (A) the sum of (x) the product of 101% multiplied by \$100.00 per share of Series A Stock, adjusted for any customary recapitalization events, plus (y) all accrued but unpaid dividends in respect of such share as of the effective date of the change of control or (B) the amount payable in respect of such share in such change of control if such share of Series A Stock had been converted into common stock immediately prior to such change of control. In the event that a holder shall be entitled to redemption or a payment under this section and such payment is prohibited by Delaware law, then the Dividend Rate will be raised as set forth above to 15%.

•**Voting Rights:** Except as required by Delaware law or with regard to matters relating to their rights, holders are not entitled to vote on any matter presented to the holders of the Company's common stock for their action or consideration. Provided that at any time, the holders of a majority of the outstanding shares of Series A Stock are entitled to provide written notification to the Company that such holders are electing, on behalf of all holders, to activate their voting rights so that holders and holders of the Company's common stock will vote as a single class on an as converted basis. Holders will be and continue to be entitled to vote their shares of Series A Stock unless and until holders of at least a majority of the outstanding shares of Series A Stock provide further written notice to the Company that they are electing to deactivate their voting rights.

•**Liquidation Preference:** Upon the occurrence of the liquidation, dissolution or winding up of the Company, either voluntary or involuntary, or a change of control of the Company (a “Liquidation Event”), holders of Series A Stock will be entitled to receive, prior and in preference to any distribution of any of the Company’s assets to the holders of the Company’s common stock, an amount equal to the greater of (x) \$100 per share of Series A Stock, plus all accrued and unpaid dividends thereon, if any (the “Liquidation Preference”), for such holders’ shares of Series A Stock or (y) the amount such holder would have received if such holder had converted such holders’ shares of Series A Stock into the Company’s common stock immediately prior to such Liquidation Event.

•**Protective Rights:** As long as the Series A Stock is outstanding, the Company will not be permitted without the consent of the holders of a majority of the then outstanding shares of such Series A Stock to: (i) incur indebtedness if the incurrence of such indebtedness results in the leverage ratio (as defined in the Ares Credit Agreement) being greater than 7:00:1:00, (ii) change or amend or waive the Charter or the Company’s by laws if that will result in the rights, preference or privileges with respect to the Series A Stock being changed or diminish in a material way, and (iii) issuance or undertaking to issue any new class of equity rights that are entitled to dividends or payments upon liquidation senior to or pari passu with the Series A Stock.

•**Transfer Restrictions:** Holders may not transfer shares of Series A Stock for three years following the initial issue date of the Series A Stock without the prior written consent of the Company (not to be unreasonably withheld). After such date, shares of Series A Stock may be transferred without the prior written consent of the Company.

•**Short Position:** Each holder undertook that it and certain of its affiliates are not be permitted to hold a “put equivalent position” (as defined under the Securities Exchange Act of 1934, as amended) or other short position in the Company’s common stock at periods specified in the Charter.

•**Registration Rights and Lock Up:** The investors joined the Registration and Lock Up Agreement as signed by some of the Company’s common shareholders.

Classification of Convertible Preferred Stock – The Series A Stock is considered contingently redeemable based on events that are not solely within the Company’s control. Accordingly, the Series A Stock is presented outside of permanent equity in the temporary equity section of the consolidated balance sheets. As of December 31, 2022 and 2021, the Series A Stock was accreted to its full redemption value.

Consideration for the Merger Transaction

On the Merger Closing Date, the equity holders of Arko Holdings received an aggregate of 65,208,698 shares of common stock and approximately \$55.4 million in cash. In addition, each holder of Arko Holdings ordinary shares received a pro rata cash payment, in the form of additional merger consideration in total of approximately \$58.7 million.

In accordance with the agreement with the GPM Minority (the “GPM Equity Purchase Agreement”), the GPM Minority received 33,772,660 shares of common stock. In addition, on the Merger Closing Date, the Company issued to Ares 1.1 million New Ares Warrants as defined below, and granted the Ares Put Option as defined in Note 10 above.

According to the Merger Agreement, at the Merger Closing Date, the Haymaker’s founders (the “Haymaker Founders”) were entitled to 4.8 million common shares and 3.55 million warrants in the Company entitling the warrant holders to 3.55 million shares for an exercise price of \$11.50 per share. An additional 2.0 million common shares will be issued subject to the share price of the Company’s common shares reaching \$13.00 or higher within five years from the Merger Closing Date; an additional 2.0 million common shares will be issued subject to the share price of the Company’s common shares reaching \$15.00 or higher within seven years from the Merger Closing Date and additional up to 200 thousand common shares of the Company (the “Deferred Shares”) will be issued subject to the number of Bonus Shares as defined above issued to the holders of Series A Stock not being higher than an amount determined.

New Ares Warrants

Pursuant to the agreement with the GPM Minority, on the Merger Closing Date, certain entities affiliated with Ares exchanged their warrants to acquire membership interests in GPM for warrants (the “New Ares Warrants”) to purchase 1.1 million shares of the Company’s common stock (the “New Ares Warrant Shares”). Each New Ares Warrant may be exercised to purchase one share of common stock at an exercise price of \$10.00 per share, subject to adjustment as described below (the “New Ares Warrants Price”). Each New Ares Warrant may be exercised until the five year anniversary of the Merger Closing Date.

The New Ares Warrants Price and the number of New Ares Warrant Shares for which each New Ares Warrant remains exercisable will each be proportionally adjusted on an equitable basis in the event of a stock split, reverse stock split or similar recapitalization event.

A New Ares Warrant and all rights thereunder may not be transferred by the holder thereof, in whole or in part, without the written consent of the Company, which written consent may be withheld or given in the Company’s sole discretion; provided, however, no such written consent of the Company shall be required with respect to a transfer of such warrant by such holder to an affiliate thereof.

Nomura Equity Transaction

On August 1, 2020, Haymaker and Nomura Securities International, Inc. (“Nomura”) entered into an engagement letter, pursuant to which Nomura agreed to act as a placement agent in connection with the Company’s issuance of the Series A Stock, and on September 8, 2020, Haymaker and Nomura entered into an engagement letter, pursuant to which Nomura agreed to act as a financial and capital markets advisor in connection with the Merger Transaction. On January 19, 2021, the Company, Haymaker and Nomura entered into a letter agreement, amending the engagement letters to provide that all of the placement fee and the transaction fee, in each case at Haymaker’s option, may be paid to Nomura in the form of 296,150 shares of common stock. On January 21, 2021, the Company issued 296,150 shares of common stock to Nomura in a private placement in satisfaction of such fees.

Rights Offering

In April and May 2020, rights were exercised for the purchase of 5,749,458 common shares of Arko Holdings offered by way of a rights offering, according to a shelf offering report published by Arko Holdings in April 2020, in exchange for a gross amount of \$11.4 million.

18. Share-Based Compensation

The Compensation Committee of the Board has approved the grant of non-qualified stock options, restricted stock units (“RSUs”), and shares to certain employees, non-employees and members of the Board under the ARKO Corp. 2020 Incentive Compensation Plan (the “Plan”). The total number of shares of common stock authorized for issuance under the Plan is 12.4 million. As of December 31, 2022, 7.1 million shares of common stock were available for future grants. Stock options granted under the Plan expire no later than ten years from the date of grant and the exercise price may not be less than the fair market value of the shares on the date of grant. Vesting periods are assigned to stock options and restricted share units on a grant-by-grant basis at the discretion of the Board. The Company issues new shares of common stock upon exercise of stock options and vesting of RSUs.

Additionally, a non-employee director may receive RSUs in lieu of up to 100% of his or her cash fees, which RSUs will be settled in common stock upon the director’s departure from the Board or an earlier change in control of the Company.

Stock Options

The following table summarizes share activity related to stock options:

	Shares (in thousands)	Weighted Average Exercise Price	Weighted Average Fair Value	Remaining Average Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Options Outstanding, January 1, 2021	—	\$ —			
Granted	126	10.00	3.73		
Options Outstanding, December 31, 2021	<u>126</u>	\$ 10.00		9.2	\$ —
Granted	771	9.11	2.70		
Options Outstanding, December 31, 2022	<u>897</u>	\$ 9.24		9.0	\$ 77
Exercisable at December 31, 2022	42	\$ 10.00		8.2	\$ —
Vested and expected to vest at December 31, 2022	897	\$ 9.24		9.0	\$ 77

The aggregate intrinsic value is the difference between the exercise price and the closing price of the Company's common stock on December 31.

As of December 31, 2022, total unrecognized compensation cost related to unvested stock options was approximately \$1.6 million, which is expected to be recognized over a weighted average period of approximately 1.8 years.

The fair value of each stock option award is estimated by management on the date of the grant using the Black-Scholes option pricing model. The following table summarizes the assumptions utilized in the valuation of the stock option awards granted for the periods noted.

	For the Year Ended December 31,	
	2022	2021
Expected dividend rate	0.9 %	—
Expected stock price volatility	28.3 %	28.8 %
Risk-free interest rate	1.7 %	1.6 %
Expected term of options (years)	10.0	10.0

The expected stock price volatility is based on the historical volatility of the Company's peer group's stock price. The volatilities are estimated for a period of time equal to the expected term of the related option. The risk-free interest rate is based on the implied yield of U.S. Treasury zero-coupon issues with an equivalent remaining term. The expected term of the options represents the estimated period of time until exercise and is determined by considering the contractual terms, vesting schedule and expectations of future employee behavior.

Restricted Stock Units

The following table summarizes share activity related to RSUs:

	Restricted Stock Units (in thousands)	Weighted Average Grant Date Fair Value
Nonvested RSUs, January 1, 2021	—	\$ —
Granted	1,600	9.60
Released	(90)	9.70
Forfeited	(10)	9.60
Performance-based share adjustment	106	9.60
Nonvested RSUs, December 31, 2021	1,606	\$ 9.60
Granted	1,923	8.41
Released	(395)	9.38
Forfeited	(19)	8.49
Nonvested RSUs, December 31, 2022	3,115	\$ 8.90

In the years ended December 31, 2022 and 2021, 108,600 and 89,570 RSUs were issued to non-employee directors. These awards are included in the table above under restricted stock units. There were 198,170 and 89,570 RSUs issued to non-employee directors outstanding as of December 31, 2022 and 2021, respectively.

The fair value of RSUs released during 2022 and 2021 was \$3.5 million and \$0.9 million, respectively.

In the years ended December 31, 2022 and 2021, the Company granted a target of 1,120,354 and 644,867 performance-based RSUs, respectively. The performance-based RSUs in both years were awarded to certain members of senior management in connection with the achievement of specific key financial metrics that are primarily measured over a three-year period and cliff vest at the end of such period. The number of performance-based RSUs in both years which will ultimately vest is contingent upon the achievement of these key financial metrics at the end of the relevant performance period. The Company assesses the probability of achieving these metrics on a quarterly basis, and as of December 31, 2021, the number of performance-based RSUs was adjusted for the probability of achieving these metrics, resulting in additional expense of \$1.0 million being recorded in 2021 based on the grant date fair value. No adjustment was made in 2022. For performance-based RSUs with market conditions, the Company recognizes the fair value expense ratably over the performance and vesting period.

In connection with the consummation of the Merger Transaction, approximately 96 thousand unvested RSUs which were previously granted to officers and other employees of Arko Holdings became fully vested and were exercised prior to the Merger Closing Date into ordinary shares of Arko Holdings. In December 2020, Arko Holdings granted approximately 200 thousand ordinary shares to officers of Arko Holdings. The shares, following the Merger Transaction, are governed by the Israel Appendix to the Plan. The shares were subject to the following terms: (a) approximately 133 thousand shares were granted with no vesting period; (b) approximately 67 thousand shares vest over a two year period from the grant date, subject to the grantees being employed by Arko

Holdings; and (c) the fair value of the total Arko Holdings' shares granted, based on the market value of Arko Holdings' shares at the time of grant, was \$1.8 million.

As of December 31, 2022, total unrecognized compensation cost related to RSUs was approximately \$16.0 million, which is expected to be recognized over a weighted average period of approximately 1.7 years.

Stock Grants

In the year ended December 31, 2022, the Company granted 13,332 shares of immediately vested common stock to certain members of senior management, with a weighted average grant date fair value of \$7.58 per share, or \$0.1 million.

Compensation Cost

Total compensation cost recorded for employees, non-employees and members of the Board for the years ended December 31, 2022, 2021 and 2020 was \$12.2 million, \$5.8 million and \$1.9 million, respectively, and included in general and administrative expenses on the consolidated statements of operations.

19. Related Party Transactions

Balances outstanding with related parties were as follows:

	As of December 31,	
	2022	2021
	(in thousands)	
Current assets:		
Due from equity investment	\$ 111	\$ 126
Loan to equity investment	674	1,008
Due from related parties	366	1,535
Current liabilities:		
Due to related parties	—	(258)

Mr. Kotler

Effective as of the Merger Closing Date, Mr. Kotler became the Chief Executive Officer of the Company and his compensation for such services (including his services as President and Chairman of the Board) is provided for in an employment agreement, dated September 8, 2020.

Prior to the Merger Closing Date, Mr. Kotler was one of Arko Holdings' controlling shareholders, and his services as Chief Executive Officer of GPM were provided to GPM through KMG Realty LLC ("KMG"), an entity wholly owned by Mr. Kotler, in exchange for management fees, pursuant to a management services agreement between GPM and KMG (the "GPM Management Services Agreement"). In addition, KMG was also party to a profits participation agreement with the members of GPM (the "Profits Participation Agreement"), pursuant to which KMG was entitled to receive annual net profit participation amounts from GPM.

Additionally, prior to October 31, 2020, the services of Mr. Kotler as Chairman of Arko Holdings were provided to Arko Holdings through KMG in exchange for management fees, pursuant to a management services agreement between Arko Holdings and KMG (the "Arko Management Services Agreement"). Each of the GPM Management Services Agreement, the Profits Participation Agreement and the Arko Holdings Management Services Agreement has been terminated, as described below.

GPM Management Services Agreement

Under the GPM Management Services Agreement, for the period January 1, 2020 through December 31, 2022, KMG was entitled to a management fee in the amount of \$90,000 per month. In addition, KMG was entitled to receive an annual bonus in accordance with GPM's corporate incentive plan which could not exceed six monthly management fee payments. The GPM Management Services Agreement also required GPM to reimburse KMG for all out of pocket expenses related to the activity of GPM. Upon the closing of the Merger Transaction, the GPM Management Services Agreement was terminated. KMG continued to be entitled to receive the bonus of \$540,000 for 2020.

Profits Participation Agreement

Pursuant to the Profits Participation Agreement, KMG was entitled, for the years 2020 through 2022, to an annual net profit participation amount up to an annual maximum amount of \$400,000. Based on GPM's financial performance in 2020, KMG was

entitled to an annual net profit participation amount of \$400,000 for 2020. The Profits Participation Agreement was terminated upon the termination of the GPM Management Services Agreement, other than the right to receive the profit participation amount for 2020.

Arko Holdings Management Services Agreement

Under the Arko Management Services Agreement, KMG was entitled to a monthly management fee of approximately \$5,000, linked to the Israeli Consumer Price Index, and to a reimbursement for reasonable expenses incurred by KMG in connection with the provision of management services. The Arko Management Services Agreement remained in effect until October 31, 2020.

Mr. Willner

Mr. Morris Willner, a director and beneficial owner in the Company, one of Arko Holdings' controlling shareholders until the Merger Closing Date, served as chairman of the board of managers of GPM. The terms of the management services agreement (the "Willner Management Agreement") effective between January 1, 2018 to December 31, 2020 between GPM and an entity owned and controlled by Mr. Willner (the "Willner Management Company") entitled the Willner Management Company to receive from GPM monthly management fees in the amount of \$24,000. Total amounts paid to Mr. Willner in accordance with the Willner Management Agreement, recorded in general and administrative expenses, were approximately \$0.3 million in the year ended December 31, 2020.

In addition, the Willner Management Company was entitled to reimbursement for all reasonable expenses incurred in providing management services and receive an annual payment based on GPM's bonus plan and based on GPM's results for the year ended December 31, 2020, the Willner Management Company was eligible for \$0.1 million for the annual bonus.

At the Merger Closing Date, the Willner Management Agreement terminated. Mr. Willner continued to be entitled to the annual bonus for 2020.

20. Earnings per Share

The following table sets forth the computation of basic and diluted net income per share of common stock:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Net income available to common stockholders	\$ 65,997	\$ 53,463	\$ 10,433
Change in fair value of Ares Put Option	(329)	(927)	—
Net income available to common stockholders after assumed conversions	<u>\$ 65,668</u>	<u>\$ 52,536</u>	<u>\$ 10,433</u>
Weighted average common shares outstanding — Basic	121,476	124,412	71,074
Effect of dilutive securities:			
Restricted share units	822	259	—
Ares Put Option	926	766	—
Weighted average common shares outstanding — Diluted	<u>123,224</u>	<u>125,437</u>	<u>71,074</u>
Net income per share available to common stockholders — Basic	<u>\$ 0.54</u>	<u>\$ 0.43</u>	<u>\$ 0.15</u>
Net income per share available to common stockholders — Diluted	<u>\$ 0.53</u>	<u>\$ 0.42</u>	<u>\$ 0.15</u>

The following potential shares of common stock have been excluded from the computation of diluted earnings per share because their effect would be antidilutive:

	As of December 31,		
	2022	2021	2020
	(in thousands)		
Ares Warrants	1,100	1,100	1,100
Public and private warrants	17,333	17,333	17,333
Ares Put Option	—	—	*
Series A redeemable preferred stock	8,396	8,333	8,333
Stock options	897	126	—

(*) Refer to description of this instrument in Note 10 above.

21. Financial Derivative Instruments

Beginning in the third quarter of 2022, the Company has made limited use of derivative instruments (futures contracts) to manage certain risks related to diesel fuel prices. The Company does not hold any derivatives for speculative purposes and it does not use derivatives with leveraged or complex features. The Company currently uses derivative instruments that are traded primarily over national exchanges such as the New York Mercantile Exchange (“NYMEX”). For accounting purposes, the Company has designated its derivative contracts as fair value hedges of firm commitments.

As of December 31, 2022, the Company had fuel futures contracts in place to hedge approximately 2.5 million gallons of diesel fuel for which the Company had a firm commitment to purchase. As of December 31, 2022, the Company had an asset derivative with a fair value of approximately \$0.5 million recorded in other current assets and a firm commitment with a fair value of approximately \$0.5 million recorded in other current liabilities on the consolidated balance sheet.

As of December 31, 2022, there was approximately \$0.5 million of cash collateral provided to counterparties that was classified as restricted cash on the consolidated balance sheet. All cash flows associated with purchasing and selling fuel derivative instruments are classified as other operating activities, net cash flows in the consolidated statements of cash flows.

22. Fair Value Measurements and Financial Instruments

The Company utilizes fair value measurement guidance prescribed by accounting standards to value its financial instruments. The guidance specifies a three-level hierarchy that is used when measuring and disclosing fair value. The fair value hierarchy gives the highest priority to quoted prices available in active markets (i.e. observable inputs) and the lowest priority to data lacking transparency (i.e. unobservable inputs). An instrument’s categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation. The following is a description of the three hierarchy levels.

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted market prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value adjustment.

The fair value of cash and cash equivalents, restricted cash, short-term investments, trade receivables, accounts payable and other current liabilities approximated their carrying values as of December 31, 2022 and 2021 primarily due to the short-term maturity of these instruments. Based on market trades of the Senior Notes close to year-end (Level 1 fair value measurement), the fair value of the Senior Notes was estimated at approximately \$354.7 million and \$436.0 million as of December 31, 2022 and 2021, respectively, compared to a gross carrying value of \$450 million. The fair value of the other long-term debt approximated their carrying values as of December 31, 2022 and 2021 due to the frequency with which interest rates are reset based on changes in prevailing interest rates. The fair value of fuel futures contracts was determined using NYMEX quoted values.

The Contingent Consideration from the Empire Acquisition (as defined in Note 4) is measured at fair value at the end of each reporting period and amounted to \$3.7 million and \$6.2 million as of December 31, 2022 and 2021, respectively. The fair value methodology for the Contingent Consideration liability is categorized as Level 3 because inputs to the valuation methodology are unobservable and significant to the fair value adjustment. Approximately \$(0.3) million, \$0.5 million and \$0.2 million were recorded as a component of interest and other financial (income) expenses in the consolidated statements of operations for the change in the fair value of the Contingent Consideration for the years ended December 31, 2022, 2021 and 2020, respectively, and approximately \$2.2 million, \$1.7 million and \$0 of income were recorded as a component of other expenses, net in the consolidated statements of operations for the years ended December 31, 2022, 2021 and 2020, respectively.

The Public Warrants (as defined in Note 11), of which approximately 14.8 million were outstanding as of December 31, 2022, are measured at fair value at the end of each reporting period and amounted to \$25.9 million and \$23.6 million as of December 31, 2022 and 2021, respectively. The fair value methodology for the Public Warrants is categorized as Level 1. Approximately \$(0.3) million, \$5.5 million and \$(0.3) million were recorded as a component of interest and other financial (income) expenses in the consolidated statements of operations for the change in the fair value of the Public Warrants for the years ended December 31, 2022, 2021 and 2020, respectively.

The Private Warrants (as defined in Note 11), of which approximately 2.5 million were outstanding as of December 31, 2022, are measured at fair value at the end of each reporting period and amounted to \$4.5 million and \$7.2 million as of December 31, 2022 and 2021, respectively. The fair value methodology for the Private Warrants is categorized as Level 2 because certain inputs to the valuation methodology are unobservable and significant to the fair value adjustment. The Private Warrants have been recorded at fair

value based on a Black-Scholes option pricing model with the following material assumptions based on observable and unobservable inputs:

	As of December 31,	
	2022	2021
Expected term (in years)	3.0	4.0
Volatility	41.9 %	36.3 %
Risk-free interest rate	4.2 %	1.1 %
Strike price	\$ 11.50	\$ 11.50

For the change in the fair value of the Private Warrants, approximately \$(0.1) million, \$0.6 million and \$(0.2) million were recorded as a component of interest and other financial (income) expenses in the consolidated statements of operations for the years ended December 31, 2022, 2021 and 2020, respectively.

The Deferred Shares (as defined in Note 11) are measured at fair value at the end of each reporting period and amounted to \$1.4 million and \$1.6 million as of December 31, 2022 and 2021, respectively. The fair value methodology for the Deferred Shares is categorized as Level 3 because inputs to the valuation methodology are unobservable and significant to the fair value adjustment. The Deferred Shares have been recorded at fair value based on a Monte Carlo pricing model with the following material assumptions based on observable and unobservable inputs:

	As of December 31,	
	2022	2021
Expected term (in years)	4.4	5.4
Volatility	42.0 %	35.9 %
Risk-free interest rate	4.1 %	1.3 %
Stock price	\$ 8.66	\$ 8.77

For the change in the fair value of the Deferred Shares, approximately \$0.1 million was recorded as a component of interest and other financial income in the consolidated statements of operations for each of the years ended December 31, 2022, 2021 and 2020.

The Ares Put Option (as defined in Note 10) is measured at fair value at the end of each reporting period and amounted to \$8.6 million and \$8.9 million as of December 31, 2022 and 2021, respectively. The fair value methodology for the Ares Put Option is categorized as Level 3 because inputs to the valuation methodology are unobservable and significant to the fair value adjustment. The Ares Put Option has been recorded at its fair value based on a Monte Carlo pricing model with the following material assumptions based on observable and unobservable inputs:

	As of December 31,	
	2022	2021
Expected term (in years)	0.2	1.2
Volatility	25.9 %	30.1 %
Risk-free interest rate	4.3 %	0.4 %
Strike price	\$ 12.845	\$ 12.935

For the change in the fair value of the Ares Put Option, approximately \$(0.3) million, \$(0.9) million and \$0.6 million were recorded as a component of interest and other financial (income) expenses in the consolidated statements of operations for the years ended December 31, 2022, 2021 and 2020, respectively.

23. Segment Reporting

The reportable segments were determined based on information reviewed by the chief operating decision maker for operational decision-making purposes, and the segment information is prepared on the same basis that the Company's chief operating decision maker reviews such financial information. The Company's reportable segments are retail, wholesale, fleet fueling and GPMP. The Company defines segment earnings as operating income.

The retail segment includes the operation of a chain of retail stores, which includes convenience stores selling fuel products and other merchandise to retail customers. At its Company operated convenience stores, the Company owns the merchandise and fuel inventory and employs personnel to manage the store.

The wholesale segment supplies fuel to independent dealers, sub-wholesalers and bulk and spot purchasers, on either a cost plus or consignment basis. For consignment arrangements, the Company retains ownership of the fuel inventory at the site, is responsible for the pricing of the fuel to the end consumer, and shares the gross profit with the independent dealers.

The fleet fueling segment, which was added to the Company's business upon the closing of the Quarles Acquisition on July 22, 2022, includes the operation of proprietary and third-party cardlock locations (unstaffed fueling locations), and commissions from the sales of fuel using proprietary fuel cards that provide customers access to a nationwide network of fueling sites.

The GPMP segment includes GPMP and primarily includes its sale and supply of fuel to GPM and its subsidiaries related to substantially all of its sites that sell fuel in the retail and wholesale segments and charges a fixed fee primarily to sites in the fleet fueling segment (currently 5.0 cents per gallon sold). GPMP sells fuel at its cost of fuel (including taxes and transportation) plus a fixed margin (currently 5.0 cents per gallon). GPMP also supplies fuel to a small number of independent dealers and bulk and spot purchasers.

The "All Other" segment includes the results of non-reportable segments which do not meet both quantitative and qualitative criteria as defined under ASC 280, Segment Reporting. The Company revised the composition of the "All Other" segment in the third quarter of 2022 in conjunction with the closing of the Quarles Acquisition.

The majority of general and administrative expenses, depreciation and amortization, net other expenses, net interest and other financial expenses, income taxes and minor other income items including intercompany operating leases are not allocated to the segments.

With the exception of goodwill as described in Note 9 above, assets and liabilities relevant to the reportable segments are not assigned to any particular segment, but rather, managed at the consolidated level. All reportable segment revenues were generated from sites within the U.S. and substantially all of the Company's assets were within the U.S. No external customer represented more than 10% of revenues.

Inter-segment transactions primarily included the distribution of fuel by GPMP to GPM and substantially all of its sites that sell fuel (both in the retail and wholesale segments) and charges by GPMP to sites that sell fuel in the fleet fueling segment. The effect of these inter-segment transactions was eliminated in the consolidated financial statements.

Year Ended December 31, 2022	Retail	Wholesale	Fleet Fueling (in thousands)	GPMP	All Other	Total
Revenues						
Fuel revenue	\$ 3,887,549	\$ 3,234,145	\$ 270,670	\$ 5,160	\$ 3,566	\$ 7,401,090
Merchandise revenue	1,647,642	—	—	—	—	1,647,642
Other revenues, net	67,280	23,451	2,178	1,024	134	94,067
Total revenues from external customers	5,602,471	3,257,596	272,848	6,184	3,700	9,142,799
Inter-segment	—	—	—	5,678,167	4,264	5,682,431
Total revenues from reportable segments	5,602,471	3,257,596	272,848	5,684,351	7,964	14,825,230
Operating income	264,552	33,864	18,382	89,035	792	406,625
Interest and other financial expenses, net				(11,654)	—	(11,654)
Income tax benefit					177	177
Loss from equity investment					(74)	(74)
Net income from reportable segments						\$ 395,074

Year Ended December 31, 2021	Retail	Wholesale	GPMP (in thousands)	All Other	Total
Revenues					
Fuel revenue	\$ 3,048,893	\$ 2,659,706	\$ 5,734	\$ —	\$ 5,714,333
Merchandise revenue	1,616,404	—	—	—	1,616,404
Other revenues, net	63,271	22,298	1,092	—	86,661
Total revenues from external customers	4,728,568	2,682,004	6,826	—	7,417,398
Inter-segment	—	—	4,384,227	1,264	4,385,491
Total revenues from reportable segments	4,728,568	2,682,004	4,391,053	1,264	11,802,889
Operating income	240,233	21,998	91,619	1,264	355,114
Interest and other financial expenses, net			(14,363)	—	(14,363)
Income tax expense				(221)	(221)
Income from equity investment				186	186
Net income from reportable segments					\$ 340,716

Year Ended December 31, 2020	Retail	Wholesale	GPMP (in thousands)	All Other	Total
Revenues					
Fuel revenue	\$ 1,940,303	\$ 508,175	\$ 3,923	\$ —	\$ 2,452,401
Merchandise revenue	1,494,342	—	—	—	1,494,342
Other revenues, net	53,424	9,335	897	—	63,656
Total revenues from external customers	3,488,069	517,510	4,820	—	4,010,399
Inter-segment	—	—	1,706,233	3,041	1,709,274
Total revenues from reportable segments	3,488,069	517,510	1,711,053	3,041	5,719,673
Operating income	200,000	3,523	47,036	3,041	253,600
Interest and other financial expenses, net			(6,277)	(1,817)	(8,094)
Income tax expense				(303)	(303)
Loss from equity investment				(1,269)	(1,269)
Net income from reportable segments					\$ 243,934

A reconciliation of total revenues from reportable segments to total revenues on the consolidated statements of operations was as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Total revenues from reportable segments	\$ 14,825,230	\$ 11,802,889	\$ 5,719,673
Other revenues, net	—	—	(167)
Elimination of inter-segment revenues	(5,682,431)	(4,385,491)	(1,709,274)
Total revenues	\$ 9,142,799	\$ 7,417,398	\$ 4,010,232

A reconciliation of net income from reportable segments to net income on the consolidated statements of operations was as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Net income from reportable segments	\$ 395,074	\$ 340,716	\$ 243,934
Amounts not allocated to segments:			
Other revenues, net	—	—	(167)
Store operating expenses	2,264	3,287	(2,380)
General and administrative expenses	(137,072)	(121,697)	(91,447)
Depreciation and amortization	(94,383)	(89,822)	(67,023)
Other income, net	(9,816)	(3,536)	(9,228)
Interest and other financial expenses, net	(48,355)	(58,108)	(44,852)
Income tax (expense) benefit	(35,734)	(11,413)	1,802
Net income	\$ 71,978	\$ 59,427	\$ 30,639

24. Store Operating Expenses

Store operating expenses consisted of the following:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands)		
Salaries and wages	\$ 287,185	\$ 242,692	\$ 217,121
Rent	145,120	133,143	113,694
Credit card fees	101,434	83,757	57,644
Utilities, upkeep, and taxes	63,121	57,497	51,811
Repairs and maintenance	43,873	37,345	28,469
Insurance	19,308	20,537	18,956
Other store operating expenses	61,133	55,547	44,727
Total store operating expenses	\$ 721,174	\$ 630,518	\$ 532,422

SCHEDULE I
ARKO Corp. (Parent Company Only)
Condensed Balance Sheets
(in thousands)

	As of December 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 93,721	\$ 88,508
Short-term loans to subsidiaries	—	40,119
Other current assets	16,168	10,110
Total current assets	109,889	138,737
Non-current assets:		
Investment in subsidiaries	312,708	255,444
Loans to subsidiaries	450,000	450,000
Deferred tax asset	2,239	2,403
Total assets	<u>\$ 874,836</u>	<u>\$ 846,584</u>
Liabilities		
Current liabilities:		
Long-term debt, current portion	\$ 1,145	\$ 1,500
Other current liabilities	17,364	7,436
Total current liabilities	18,509	8,936
Non-current liabilities:		
Long-term debt, net	443,648	442,889
Other non-current liabilities	31,845	41,307
Total liabilities	\$ 494,002	\$ 493,132
Series A redeemable preferred stock	100,000	100,000
Shareholders' equity	280,834	253,452
Total liabilities, redeemable preferred stock and shareholders' equity	<u>\$ 874,836</u>	<u>\$ 846,584</u>

The accompanying notes are an integral part of the condensed financial statements.

SCHEDULE I
ARKO Corp. (Parent Company Only)
Condensed Statements of Operations
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Income:			
Income from loans to subsidiaries and other investee	\$ 23,645	\$ 6,016	\$ 3,960
Other income	—	—	597
	23,645	6,016	4,557
Expenses:			
General and administrative	7,437	6,152	4,562
Expenses related to loans to subsidiaries and other investee	—	—	2,692
	7,437	6,152	7,254
Income (loss) before interest and financial income (expenses)	16,208	(136)	(2,697)
Interest and other financial income	1,577	1,005	1,093
Interest and other financial expenses	(23,641)	(10,855)	(8,225)
Loss before income taxes	(5,856)	(9,986)	(9,829)
Income tax benefit (expense)	3,579	(2,771)	(324)
Equity income from subsidiaries	74,024	71,955	23,863
Net income	\$ 71,747	\$ 59,198	\$ 13,710
Accretion of redeemable preferred stock	—	—	(3,120)
Series A redeemable preferred stock dividends	(5,750)	(5,735)	(157)
Net income attributable to common shareholders	\$ 65,997	\$ 53,463	\$ 10,433

The accompanying notes are an integral part of the condensed financial statements.

SCHEDULE I
ARKO Corp. (Parent Company Only)
Condensed Statements of Comprehensive Income
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Net income	\$ 71,747	\$ 59,198	\$ 13,710
Other comprehensive income:			
Foreign currency translation adjustments	—	—	4,675
Total other comprehensive income	—	—	4,675
Comprehensive income	<u>\$ 71,747</u>	<u>\$ 59,198</u>	<u>\$ 18,385</u>

The accompanying notes are an integral part of the condensed financial statements.

SCHEDULE I
ARKO Corp. (Parent Company Only)
Condensed Statements of Cash Flows
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Cash flows from operating activities:			
Net income	\$ 71,747	\$ 59,198	\$ 13,710
Adjustments to reconcile net income to net cash used in operating activities:			
Equity income from subsidiaries	(74,024)	(71,955)	(23,863)
Deferred income taxes	(164)	519	(130)
Amortization of deferred financing cost, debt discount and premium	759	152	(331)
Depreciation and amortization	—	—	8
Foreign currency loss (gain) and interest related to intercompany balances	1,693	(4,656)	4,703
Share-based compensation	955	868	1,891
Fair value adjustment of financial liabilities	(887)	5,021	107
Other operating activities, net	—	—	(38)
Changes in assets and liabilities:			
(Increase) decrease in other current assets	(11,542)	(1,586)	490
Increase in other current liabilities	6,752	3,713	942
Net cash used in operating activities	\$ (4,711)	\$ (8,726)	\$ (2,511)
Cash flows from investing activities:			
Loans to investees	\$ —	\$ (450,000)	\$ (68,939)
Repayments of loans to subsidiaries and other investees	40,000	—	109,946
Distribution from subsidiary	28,109	—	—
Investment in subsidiary	—	—	(107,299)
Net cash provided by (used in) investing activities	68,109	(450,000)	(66,292)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt, net	—	442,737	—
Issuance of shares in Merger Transaction	—	—	60,318
Payment of Merger Transaction issuance costs	—	(4,773)	—
Issuance of redeemable preferred stock, net	—	—	96,880
Common stock repurchased	(40,042)	—	—
Dividends paid on common stock	(10,893)	—	—
Dividends paid on redeemable preferred stock	(5,750)	(5,892)	—
Repayment of long-term debt	(1,500)	(2,017)	(10,953)
Buyback of long-term debt	—	—	(1,995)
Proceeds from issuance of rights, net	—	—	11,332
Net cash (used in) provided by financing activities	(58,185)	430,055	155,582
Net increase (decrease) in cash and cash equivalents and restricted cash	5,213	(28,671)	86,779
Effect of exchange rate on cash and cash equivalents and restricted cash	—	—	2,875
Cash and cash equivalents and restricted cash, beginning of year	88,508	117,179	27,525
Cash and cash equivalents, end of year	\$ 93,721	\$ 88,508	\$ 117,179
Reconciliation of cash and cash equivalents and restricted cash			
Cash and cash equivalents, beginning of year	88,508	117,179	21,302
Restricted cash with respect to bonds, beginning of year	—	—	6,223
Cash and cash equivalents and restricted cash, beginning of year	\$ 88,508	\$ 117,179	\$ 27,525

The accompanying notes are an integral part of the condensed financial statements.

SCHEDULE I
ARKO Corp. (Parent Company Only)
Condensed Statements of Cash Flows (cont'd)
(in thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Supplementary cash flow information:			
Cash received for interest	\$ 26,028	\$ 1,404	\$ 2,340
Cash paid for interest	24,610	14	3,840
Cash paid for taxes	735	6,175	305
Supplementary noncash activities:			
Prepaid insurance premiums financed through notes payable	1,145	1,765	2,190
Issuance of shares	—	3,000	—
Ares Put Option	—	—	9,201

The accompanying notes are an integral part of the condensed financial statements.

ARKO Corp. (Parent Company Only)
Notes to Condensed Financial Statements

1. General

The condensed financial statements represent the financial information required by SEC Regulation S-X Rule 5-04 for ARKO Corp. (the “Company”), which requires the inclusion of parent company only financial statements if the restricted net assets of consolidated subsidiaries exceed 25% of total consolidated net assets as of the last day of its most recent fiscal year. As of December 31, 2022, the Company’s restricted net assets of its consolidated subsidiary, GPM Investments, LLC (“GPM”), were approximately \$720.6 million and exceeded 25% of the Company’s total consolidated net assets. The primary restrictions as of December 31, 2022 were driven by GPM’s financing agreement with PNC which restrict the transfer of non-cash assets from GPM to the Company. This financing agreement also include restrictions on distributions according to which, among other things, GPM’s ability to distribute is subject to certain conditions as defined in the underlying agreement. For more information about GPM’s financing agreement with PNC, refer to Note 12 to the consolidated financial statements.

The Merger Transaction was accounted for as a reverse recapitalization. Under this method of accounting, Haymaker was treated as the “acquired” company and Arko Holdings was considered the accounting acquirer for accounting purposes. The Merger Transaction was treated as the equivalent of Arko Holdings issuing stock in exchange for the net assets of Haymaker, accompanied by a recapitalization. Because Arko Holdings was deemed the accounting acquirer, upon the consummation of the Merger Transaction, the historical financial statements of Arko Holdings became the historical financial statements of the combined company. As a result, the financial statements included in these parent only financial statements reflect the historical operating results of Arko Holdings prior to the Merger Closing Date.

2. Summary of Significant Accounting Policies

The accompanying condensed financial statements have been prepared to present the financial position, results of operations and cash flows of the Company on a stand-alone basis as a holding company. Investments in subsidiaries are accounted for using the equity method. The condensed parent company only financial statements should be read in conjunction with the Company’s consolidated financial statements.

3. Long-Term Debt

Senior Notes

On October 21, 2021, the Company completed a private offering of \$450 million aggregate principal amount of 5.125% Senior Notes due 2029 (the “Senior Notes”), pursuant to a note purchase agreement dated October 14, 2021, by and among the Company, certain of the Company’s wholly owned domestic subsidiaries (the “Guarantors”), and BofA Securities, Inc., as representative of the several initial purchasers named therein. The Senior Notes are guaranteed, on an unsecured senior basis, by all of the Guarantors. Refer to Note 12 to the consolidated financial statements for further details.

Insurance Premium Notes

The debt outstanding related to premium financing agreements are due within one year. Refer to Note 12 to the consolidated financial statements for further details.

FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Amendment**") is made and entered into as of December 6, 2022 (the "**Amendment Date**"), by and among Pride Parent, LLC, a Delaware limited liability company (the "**Seller**"), GPM Investments, LLC, a Delaware limited liability company ("**Buyer**"), and solely for purposes of Section 2(f)(ii) below, Patriot Portfolio Owner LLC, a Delaware limited liability company ("**Oak**"). Each of the foregoing (other than Oak) may be referred to individually herein as a "**Party**" and collectively as the "**Parties**."

WITNESSETH:

WHEREAS, the Parties previously entered into that certain Purchase and Sale Agreement, dated as of October 19, 2022 (as amended, the "**Purchase Agreement**"), pursuant to which, among other things, subject to the terms and conditions of the Purchase Agreement, Seller agreed to sell, and Buyer agreed to purchase and acquire, all of the issued and outstanding membership interests of Pride Convenience Holdings, LLC; and

WHEREAS, pursuant to the terms and provisions of this Amendment, the Parties have agreed to amend the Purchase Agreement as provided herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Definitions.** All capitalized terms used in this Amendment that are not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement, as amended hereby. Any new defined terms created by this Amendment are hereby deemed added to Exhibit A of the Purchase Agreement, and any defined terms deleted or amended by this Amendment are hereby removed from or amended in Exhibit A of the Purchase Agreement (as applicable).

2. **Amendments.**

(a) **Definitions.** The Parties hereby amend the Purchase Agreement by adding the following defined terms to Exhibit A of the Purchase Agreement:

(i) "**Aggregate Cap**" means \$3,590,000.00.

(ii) "**Buyer's Non-Reporting**" means any Non-Reporting (as defined below) by Buyer or any of its Affiliates (including after the Closing, the Company Group), after the Closing.

(iii) "**Buyer Test Result**" means the results of any TSTT performed by a TSTT Contractor, Buyer or any of its Affiliates or Representatives in accordance with Section 6.4(b).

(iv) "**Interim Period**" means the period beginning on November 22, 2022, and ending at the Closing on December 6, 2022.

(b) **Environmental Matters—Testing and Repairs.** The Parties hereby amend the Purchase Agreement by adding a new Section 6.33 as follows:

Section 6.33 Environmental Matters. Notwithstanding anything to the contrary in this Agreement, including Section 6.4 and Section 6.20, the Parties acknowledge and agree to the following:

(a) Subject to the terms and limitations of this Section 6.33 and Section 6.4(e), Seller shall be responsible for the reasonable, actual, documented fees and costs incurred by Buyer or its Affiliates (including after the Closing, the Company Group) from and after the Amendment Date in connection with the following (the “*Environmental Costs*”); provided that if Buyer elects to replace instead of repair an item, in no event shall the Environmental Costs in connection therewith exceed the lesser of (i) the cost of the repair as shown in a written repair estimate of an Approved Vendor or (ii) the cost of the replacement of such item (if replacement is cheaper than repair as determined by the Approved Vendor’s estimate); provided, further that the Environmental Costs shall include the cost of repairs (or estimates thereof) or replacements pursuant to this Section 6.33 only to the extent such repairs or replacements are required to achieve Operating Condition and compliance with applicable Environmental Laws and manufacturers requirements and shall not include any optional upgrades or improvements to such equipment or component:

(i) any additional tests as permitted or acceptable under applicable Environmental Laws and/or manufacturer specification, including but not limited to helium testing, conducted to determine the soundness of secondary components, to be conducted by a third party vendor reasonably approved in advance by Seller (an “*Approved Vendor*”) and arranged by Buyer, in connection with the equipment described on Exhibit A-1 attached hereto;

(ii) the repair and/or replacement of the secondary components specifically identified on Exhibit A-1 attached hereto as a result of a failing test in the case of the secondary components, followed by tests to confirm passing to be conducted by an Approved Vendor and arranged by Buyer;

(iii) the repair and/or replacement of the leak detectors and overfill devices specifically identified on Exhibit A-2 attached hereto, followed by tests to confirm passing to be conducted by an Approved Vendor arranged by Buyer; and

(iv) the repair and/or replacement of the sumps and spill buckets specifically identified on Exhibit A-3 attached hereto, followed by tests to confirm passing to be conducted by an Approved Vendor arranged by Buyer.

(b) Any and all Environmental Costs for which Seller is responsible pursuant to this Section 6.33 shall be addressed and reconciled in accordance with the Seller Costs in the Final Settlement Statement as a reduction to the Adjusted Purchase Price as provided in Section 2.4(c).

(c) Prior to conducting any repairs, replacements and tests contemplated herein, Buyer shall provide Seller’s designated contacts, with a written schedule of the proposed repairs, replacements and/or testing times, dates and locations. Buyer shall permit Seller and its Affiliates and Representatives to attend and observe all repairs, replacements and testing if they so desire but shall not be obligated to modify the schedule to accommodate Seller, its Affiliates and Representatives. Buyer shall have the right to make modifications to the

written schedule, but in such event Buyer shall promptly notify Seller of any such modifications no less than twenty-four (24) hours' prior to performing any accelerated repairs, replacements and/or tests contemplated herein resulting from such modifications.

(c) **Environmental Matters—Tank Tightness Testing**. The Parties hereby amend the Purchase Agreement by adding a new Section 6.4(e) to the Purchase Agreement as follows:

“(e) The Parties acknowledge and agree that Buyer was not satisfied with certain of the Buyer Test Results. Although Buyer and Seller do not agree regarding whether the Buyer Test Results represent non-compliance with Environmental Laws, and without waiver of any of the Parties’ positions regarding the Buyer Test Results, in order to resolve the disputed matters so that the Parties may proceed with the Closing, notwithstanding anything to the contrary in this Agreement, including Section 6.2(c), Section 6.4 and Section 6.20, the Parties hereby acknowledge and agree to the following:

(i) Subject to the terms and limitations of this Section 6.4(e), Seller shall be responsible for the reasonable, actual, documented fees and costs incurred by Buyer or its Affiliates (including after the Closing, the Company Group) (the “**Non-Reporting Costs**” and together with the Environmental Costs, the “**Seller Costs**”), to the extent directly attributable to Seller’s or the Company Group’s failure during the Interim Period to: (x) report to MassDEP or CTDEEP, as applicable, any Buyer Test Result that identified a failed test or inconclusive result (“**Failures or Inconclusive Results**”); (y) submit an application for eligibility for coverage by the Massachusetts Underground Storage Tank Petroleum Product Cleanup Fund in connection with any Failures or Inconclusive Results; or (z) notify the underwriters of the PLL Policy of any Failures or Inconclusive Results (collectively, (x), (y) and (z) are referred to as “**Non-Reporting**”).

(ii) Notwithstanding anything to the contrary in this Agreement:

1. Seller shall not be liable for any Seller Costs in accordance with Section 6.33 and this Section 6.4(e) unless a written demand setting forth the amount of such Seller Costs and facts related to such Seller Costs and including copies of all documentation in connection therewith is delivered by Buyer to Seller with respect thereto on or prior to the delivery of the Final Settlement Statement pursuant to Section 2.4(c).

2. Any Seller Costs for which Seller is responsible pursuant to Section 6.33 and this Section 6.4(e) shall be included in the Final Settlement Statement pursuant to Section 2.4(c). Accordingly, the Parties acknowledge and agree that from and after the date on which the Final Settlement Statement is finalized and the post-Closing true-ups are finally determined pursuant to Section 2.4(c), Seller and its Affiliates shall have no further liability, responsibility or obligation pursuant to Section 6.20, Section 6.33 or this Section 6.4.

3. In no event shall the aggregate liability of the Seller or any of its Affiliates pursuant to this Section 6.4(e) and/or Section 6.33 exceed the Aggregate Cap.

4. Seller shall not be liable or responsible for or required to pay or reimburse Buyer for any Non-Reporting Costs to the extent directly attributable to Buyer’s Non-Reporting.

5. In no event shall this Section 6.4(e) be construed to constitute an acknowledgement or agreement by Seller or Buyer or any of their respective Affiliates, including the Company Group Members, that there is any non-compliance with any Environmental Laws or that they have any obligation to provide notification to a Governmental Authority or other third party in connection

with the same. In furtherance of the above, in no event shall this Section 6.4(e) be construed to constitute an acknowledgement or agreement by Seller or any of its Affiliates that any Failures or Inconclusive Results represent Imminent Reporting Obligations.

6. Buyer shall take, and after the Closing, shall cause the Company Group Members to take, all commercially reasonable steps to mitigate any and all Seller Costs.

7. In no event shall Seller have any liability under this Section 6.4(e) or Section 6.33 for any losses to the extent such losses resulted from the gross negligence or willful misconduct of Buyer or its Affiliates.

8. Buyer shall, and shall cause its Affiliates, including after the Closing, the Company Group Members to use commercially reasonable efforts to recover any amounts that Buyer in good faith believes may be recoverable from any third party, including any indemnity, contribution or other similar payment, or under or pursuant to the Massachusetts Underground Storage Tank Petroleum Product Cleanup Fund or any insurance policy pursuant to which or under which Buyer (or any of its Affiliates, including after the Closing, the Company Group Members) has rights (including the PLL Policy and/or the Initial R&W Policy) in connection with the matters contemplated herein. Any and all amounts payable pursuant to Section 6.33 or this Section 6.4(e), if any, shall be determined net of any amounts actually received by Buyer (or any of its Affiliates) from any third party, including any indemnity, contribution or other similar payment, or under or pursuant to the Massachusetts Underground Storage Tank Petroleum Product Cleanup Fund or any insurance policy pursuant to which or under which Buyer (or any of its Affiliates) has rights (including the PLL Policy and/or the Initial R&W Policy and/or the Amended R&W Policy). If Seller has actually paid or reimbursed Buyer or any Affiliate for any payments pursuant to this Agreement and, subsequently, there is an actual payment under any such policy (whether to Buyer, another insured under policy or a third party) for a claim involving the same or related facts that gave rise to the claim for reimbursement, then Buyer shall (or shall cause the other insured under the applicable policy to) use such insurance proceeds and promptly reimburse Seller for any amount previously paid by Seller.

9. Under no circumstances will any Party or any of its Affiliates be entitled to recover more than one time for any amounts to which such Party is owed under this Agreement, and to the extent a Party or any of its Affiliates is compensated for a matter through the adjustments provided for in Section 6.2(c) or otherwise, such Party and its Affiliates will not have a separate right to payment pursuant to this Section 6.4(e) or Section 6.33. In no event shall there be any duplication of payments or recovery under different provisions of this Agreement arising out of the same facts, conditions or events.

(iii) After the Closing, the terms and provisions under Section 6.33 and this Section 6.4(e) shall be the sole and exclusive remedy of the Parties for the matters contemplated by Section 6.4, Section 6.20 and Section 6.33 of this Agreement and this Section 6.4(e) shall govern in the event of conflict between this Section 6.4(e) and any other terms or provisions in this Agreement, including the other provisions of Section 6.4, Section 6.20 or otherwise. Except as expressly provided in Section 6.33 and this Section 6.4(e), Buyer hereby waives any and all rights, remedies, causes of action or claim it may have against Seller, including under any statute, common Law, tort or equity, as a result of any losses or any and all other damages incurred by Buyer or its Affiliates with respect to the matters contemplated in Section 6.4, Section 6.20 and Section 6.33.”

(d)**Final Settlement Statement.** The Parties hereby amend the first sentence of Section 2.4(c) of the Purchase Agreement by replacing it with the following:

“Not later than ninety (90) days following the Closing Date, Buyer shall prepare and deliver to Seller a statement, in substantially the form attached hereto as Exhibit F and attaching reasonable supporting schedules, working papers and all other relevant details in Buyer’s possession to enable a review thereof by Seller (the “**Final Settlement Statement**”), setting forth Buyer’s good faith estimate of the final calculation of the Adjusted Purchase Price determined in accordance with the Accounting Principles and showing the calculation of each adjustment under Section 2.4(a), except with respect to Inventory which shall be separately addressed in accordance with Exhibit B, and specifically including any Seller Costs which shall be a reduction to the Adjusted Purchase Price; provided, however, that to the extent all Seller Costs are not reasonably ascertained and/or the testing, repairs and/or replacements or other matters relating thereto are not completed by Buyer and/or the Company Group Members within such ninety (90) day period despite Buyer using its commercially reasonable efforts to complete such matters within such timeframe, (i) the Final Settlement Statement shall be bifurcated, such that the Seller Costs not yet known as of such ninety (90) day period shall be excluded from the form of Final Settlement Statement to be provided within such ninety (90) day period, and (ii) Buyer shall prepare and deliver to Seller the Final Settlement Statement inclusive of such Seller Costs not included in clause (i) above by no later than one hundred twenty (120) following the Closing Date.

The Parties hereby further amend Section 2.4(c) of the Purchase Agreement by adding the following sentence to the end of Section 2.4(c):

“Notwithstanding anything to the contrary herein, in the event of a dispute between the Parties with respect to any of the Seller Costs, including the amount thereof, such disputed matter(s) shall not be resolved by the Accounting Firm, but rather shall be resolved in accordance with Section 10.3.”

(e)**Repairs.** The Parties hereby amend the Purchase Agreement by adding the following to the end of Section 6.2(c) of the Purchase Agreement as follows:

“Notwithstanding anything to the contrary herein, the Parties acknowledge and agree that the amount for which Seller has any further responsibility pursuant to this Section 6.2(c) is \$275,000.00, which such amount shall be reflected as an adjustment to the Unadjusted Purchase Price at the Closing as the sole and exclusive remedy of the Parties for any unresolved matters as of Closing contemplated by Section 6.2(c). From and after the Closing, Seller shall have no further liability, responsibility or obligations with respect to any matters contemplated by Section 6.2(c), and Buyer hereby waives any and all rights, remedies, causes of action or claim it may have against Seller, including under any statute, common Law, tort or equity, as a result of any losses or any and all other damages incurred by Buyer or its Affiliates with respect to this Section 6.2(c).”

(f)**Title Matters.**

(i) The Parties acknowledge and agree that with respect to Site No. 2 - 13 N. Main Street, East Longmeadow, MA, there is an exception on the Title Commitment as of the Amendment Date related to a special permit granted by Town of East Longmeadow on 5/8/12 for a 18’x10.5’ gable to cover the gas pumps. Seller is in the process of, and from and after the Closing, Seller will continue to use commercially reasonable efforts to, have such special permit amended as promptly

as reasonably practicable to remove the condition on change in ownership of East Longmeadow Mobile, Inc. (including, but not limited to, the amendment of the special permit by the local municipality in the ordinary course of the amendment process).

(ii) Buyer, Seller and Oak acknowledge and agree that with respect to the Owned Real Property known as Site No. 21 – 1225 Parker Street, Springfield, MA (the “**Parker Street Property**”), and as noted in Buyer’s Title Objection Notice, Pride RE does not currently have fee simple title to the entirety of the real estate parcels on which the retail fuel station (including the fuel canopy) and convenience store is located. More specifically, as shown on Exhibit B attached hereto, Pride RE currently has fee simple title to the area of the Parker Street Property shaded in blue thereon, but does not have title to the parcels denoted in yellow (constituting part of parcel C denoted thereon) and the triangular parcel denoted as parcel 11 thereon, both of which contain a portion of the convenience store (and with respect to parcel 11, the fuel canopy) and are intended to constitute part of the Parker Street Property (collectively, the “**Missing Parcels**”). Accordingly, the Parties hereby agree that a portion of the Adjusted Purchase Price in the amount of \$8,018,718.85, which is being funded at Closing by Oak (the “**Parker Street Escrow Amount**”) shall be funded at Closing by Oak and held in escrow by Fidelity National Title Insurance Company (“**Escrow Agent**” or “**Fidelity**”), pursuant to and in accordance with that certain Escrow Agreement, dated as of December 5, 2022 by and among Escrow Agent, Buyer, Seller and Oak. Following the Closing, Seller shall use its commercially reasonable efforts to acquire, on behalf of Pride RE, title to the Missing Parcels and Buyer shall, and shall cause its Affiliates and Representatives to, cooperate in good faith with Seller in Seller’s efforts to acquire the Missing Parcels, including providing prompt assistance as may be reasonably requested by Seller. Following the Closing, Buyer shall not, and shall not cause or permit its Affiliates or Representatives to take any actions that would reasonably be expected to impair or delay Seller’s efforts to acquire the Missing Parcels. Upon (a) conveyance of the Missing Parcels to Pride RE, free and clear of any Liens other than Permitted Liens, and (b) receipt by Oak of (i) a Title Policy issued by Fidelity or such other title company mutually acceptable to Buyer and Oak insuring in favor of Pride RE good and marketable fee simple title to the entire Parker Property, which includes the Missing Parcels, free and clear of any Liens other than Permitted Liens, and (ii) an ALTA survey and zoning report from Oak’s current vendors similarly showing no significant encroachments or Liens or violations of Law other than with respect to Permitted Liens (collectively, the “**Parker Street Remittance Conditions**”), Buyer, Seller and Oak shall deliver a joint written instruction to the Escrow Agent to release the Parker Street Escrow Amount to Seller. Unless Buyer, Seller and Oak otherwise mutually agree in writing, in the event that the Parker Street Remittance Conditions are not satisfied by January 5, 2023, which such date the Buyer, Seller and Oak agree to extend in good faith by an additional thirty (30) day period (and then up to an additional four (4) subsequent additional 30-day periods) to the extent Seller (x) has made reasonable progress, (y) is working in good faith and (z) reasonably believes the Parker Street Remittance Conditions could be met during such extension period, Buyer, Seller and Oak agree to the following:

(a) Buyer, Seller and Oak shall deliver a joint written instruction to the Escrow Agent to release the Parker Street Escrow Amount to Oak and/or to Buyer (as directed by Oak and Buyer);

(b) the Adjusted Purchase Price shall be deemed for all purposes under the Purchase Agreement to have been reduced by the Parker Street Escrow Amount;

(c) Oak shall, at no additional cost or expense to Oak, convey the Parker Street Property back to the Seller pursuant to a quitclaim deed in accordance with local custom and practice in substantially the form attached to the Purchase Agreement as Exhibit H-1; and

(d) Buyer and Seller shall enter into a lease with respect to the Parker Street Property (which lease shall include the Missing Parcels, and which lease will, to the extent required, include the fee owner of the Missing Parcels as a landlord thereunder) on such terms and provisions as shall be mutually agreeable to Buyer and Seller and, if applicable, the fee owner of the Missing Parcels, including substantially the same economic and initial term and renewal terms as agreed between Oak and Buyer with respect to the Parker Street Property as of the Closing.

Notwithstanding anything to the contrary in this Agreement, if the Parker Street Remittance Conditions have not been satisfied by December 29, 2022, in addition to and not in limitation of the foregoing, the Parties acknowledge and agree that any and all claims, settlements or other amounts in recovery in respect of any and all claims against the Selling Parties (as defined in the Pride Asset Purchase Agreement) that may be available under the Pride Asset Purchase Agreement in connection with the failure of the Selling Parties to deliver title to the Missing Parcels in accordance with the terms of the Pride Asset Purchase Agreement (the "**Title Claims**"), shall be for the benefit of Seller, including all amounts then held in escrow with respect to the Indemnity Escrow Amount (as defined in the Pride Asset Purchase Agreement). Accordingly, the Parties acknowledge and agree that at the direction of Seller, Buyer shall, and shall cause its Affiliates to, promptly pursue, at Seller's cost and expense, any and all Title Claims in accordance with the terms of the Pride Asset Purchase Agreement, including all amounts then held in escrow with respect to the Indemnity Escrow Amount prior to the release of such escrowed funds; provided that, Seller shall, at its sole cost and expense, subject to Buyer's reasonable approval rights regarding any element of the foregoing which could reasonably be expected to result in any losses, claims, damages, liabilities, judgments or costs and expenses (including reasonable attorneys' fees and expenses) (collectively, "**Losses**") to Buyer or any Company Group Member, have the sole and exclusive authority to manage the indemnity claim process, litigation, arbitration, and other matters related to the Title Claims including making any settlement decisions, and Buyer shall not, and shall cause its Affiliates not to, take any action with respect to the Title Claims unless otherwise approved or directed by Seller."

(g)**Purchase Price Adjustment**. The Parties hereby amend the Purchase Agreement by adding the following (ix) to the end of Section 2.4(a) to the Purchase Agreement as follows:

"(xi) decreased (as a one time adjustment and not subject to any post-Closing true up pursuant to Section 2.4(c) or otherwise) by \$687,000.00 in connection with any tests, repairs and/or replacements with respect to all equipment identified as inconclusive or unable to be tested by Buyer described on Exhibit C, as the sole and exclusive remedy of the Parties for all matters in connection with such tests, repairs and/or replacements."

3.**Waiver of Closing Condition**. The Parties acknowledge and agree that Buyer has waived receipt of Required Approvals from AMBEST Inc. as a condition to Closing pursuant to Section 7.2(d)(i) of the Purchase Agreement.

4.**Miscellaneous**. Except as otherwise expressly provided in this Amendment, all of the terms of the Purchase Agreement shall continue in full force and effect and are ratified and affirmed. This Amendment may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Amendment and all of which, when taken together, will constitute one and the same agreement. The exchange of copies of this Amendment and of signature pages by facsimile or e-mail shall constitute

effective execution and delivery of this Amendment as to the Parties and may be used in lieu of the original Amendment for all purposes. Signatures of the Parties transmitted by facsimile or e-mail shall be deemed to be their original signatures for all purposes. This Amendment shall be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns. Nothing in this Amendment shall entitle any Person other than Buyer and Seller to any claim, cause of action, remedy or right of any kind. Notwithstanding the foregoing: (a) the Parties reserve the right to amend, modify, terminate, supplement, or waive any provision of this Amendment or this entire Amendment without the consent or approval of any Person other than the Parties hereto and (b) no Party hereunder shall have any direct liability to any permitted third-party beneficiary, nor shall any permitted third-party beneficiary have any right to exercise any rights hereunder for such third-party beneficiary's benefit except to the extent such rights are brought, exercised and administered by a Party hereto.

5. In the event of any conflict or inconsistency between the terms of this Amendment and the terms of the Purchase Agreement, the terms of this Amendment shall control.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the Amendment Date.

SELLER:

PRIDE PARENT, LLC

By: /s/ Daniel R. Revers

Name: Daniel R. Revers

Title: President

Signature Page to First Amendment to Purchase and Sale Agreement

BUYER:

GPM INVESTMENTS, LLC

By: /s/ Arie Kotler

Name: Arie Kotler__

Title: CEO__

By: /s/ Eyal Nuchamovitz

Name: Eyal Nuchamovitz__

Title: EVP_

Signature Page to First Amendment to Purchase and Sale Agreement

SOLELY FOR PURPOSES OF SECTION 2(F)(II) OF THIS AGREEMENT:

PATRIOT PORTFOLIO OWNER LLC

By: /s/ Michael Reiter

Name: Michael Reiter__

Title: Authorized Representative__

Signature Page to First Amendment to Purchase and Sale Agreement

**SEVENTH AMENDMENT AND JOINDER TO THIRD AMENDED, RESTATED AND CONSOLIDATED REVOLVING CREDIT
AND SECURITY AGREEMENT**

This Seventh Amendment and Joinder to Third Amended, Restated and Consolidated Revolving Credit and Security Agreement (this “Amendment”) is made this 6th day of December, 2022 by and among **GPM Investments, LLC**, a Delaware limited liability company (“GPM”), **GPM1, LLC**, a Delaware limited liability company (“GPM1”), **GPM2, LLC**, a Delaware limited liability company (“GPM2”), **GPM3, LLC**, a Delaware limited liability company (“GPM3”), **GPM4, LLC**, a Delaware limited liability company (“GPM4”), **GPM5, LLC**, a Delaware limited liability company (“GPM5”), **GPM6, LLC**, a Delaware limited liability company (“GPM6”), **GPM8, LLC**, a Delaware limited liability company (“GPM8”), **GPM9, LLC**, a Delaware limited liability company (“GPM9”), **GPM Southeast, LLC**, a Delaware limited liability company (“GPM Southeast”), **E CIG Licensing, LLC**, a Delaware limited liability company (“E CIG”), **GPM Midwest, LLC**, a Delaware limited liability company (“GPM Midwest”), **GPM Midwest 18, LLC**, a Delaware limited liability company (“GPM Midwest 18, LLC”), **GPM Apple, LLC**, a Delaware limited liability company (“GPM Apple”), **Florida Convenience Stores, LLC**, a Delaware limited liability company (“Florida Convenience Stores”), **Village Pantries Merger Sub, LLC**, a Delaware limited liability company (“Village Pantries Merger”), **Village Pantry Specialty Holding, LLC**, a Delaware limited liability company (“Village Pantry Specialty”), **Marsh Village Pantries, LLC**, an Indiana limited liability company (“Marsh”), **Village Pantry, LLC**, an Indiana limited liability company (“Village Pantry”), **Mundy Realty, LLC**, an Indiana limited liability company (“Mundy”), **ViVa Pantry & Petro Operations, LLC**, a Delaware limited liability company (“ViVa”), **Village Variety Store Operations, LLC**, a Delaware limited liability company (“Village Variety”), **Next Door Group, LLC**, a Delaware limited liability company (“Next Door Group”), **Pantry Property, LLC**, an Indiana limited liability company (“Pantry Property”), **Next Door RE Property, LLC**, a Delaware limited liability company (“Next Door RE”), **Colonial Pantry Holdings, LLC**, a Delaware limited liability company (“Colonial”), **Admiral Real Estate I, LLC**, a Delaware limited liability company (“Admiral Real Estate”), **GPM Empire, LLC**, a Delaware limited liability company (“GPM Empire”), **GPM RE, LLC**, a Delaware limited liability company (“GPM RE”), **GPM Gas Mart Realty Co, LLC**, a Delaware limited liability company (“GPM Gas Mart”), **GPM Transportation Company, LLC**, a Delaware limited liability company (“GPM Transportation Company”, and together with GPM, GPM1, GPM2, GPM3, GPM4, GPM5, GPM6, GPM8, GPM9, GPM Southeast, E CIG, GPM Midwest, GPM Midwest 18, GPM Apple, Florida Convenience Stores, Village Pantries Merger, Village Pantry Specialty, Marsh, Village Pantry, Mundy, ViVa, Village Variety, Next Door Group, Pantry Property, Next Door RE, Colonial, Admiral Real Estate, GPM Empire, GPM RE and GPM Gas Mart, collectively, the “Existing Borrowers” and each an “Existing Borrower”), **Pride Convenience Holdings, LLC**, a Delaware limited liability company (“Pride Holdings”), **Pride Management, LLC**, a Delaware limited liability company (“Pride Management”), **Pride Operating, LLC**, a Delaware limited liability company (“Pride Operating”), **Pride Logistics,**

LLC, a Delaware limited liability company (“Pride Logistics”, and together with Pride Holdings, Pride Management and Pride Operating, collectively, the “Joining Borrowers” and each a “Joining Borrower”, and together with Existing Borrowers and any other Person joined as a borrower to the Loan Agreement (as defined below) from time to time, collectively, the “Borrowers” and each a “Borrower”), the financial institutions which are now or which hereafter become a party to the Loan Agreement (collectively, the “Lenders” and each individually a “Lender”) and **PNC Bank, National Association** (“PNC”), as agent for the Lenders (PNC, in such capacity, the “Agent”).

BACKGROUND

A. The Existing Borrowers, the Lenders and Agent are parties to that certain Third Amended, Restated and Consolidated Revolving Credit and Security Agreement dated as of February 28, 2020 (as amended, restated, amended and restated or otherwise modified, renewed, extended, replaced or substituted from time to time, the “Loan Agreement”), which reflects certain financing arrangements among them. The Loan Agreement and all other documents executed in connection therewith are collectively referred to as the “Existing Financing Agreements.” All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Loan Agreement. In the case of a direct conflict between the provisions of the Loan Agreement and the provisions of this Amendment, the provisions hereof shall prevail.

B. Borrowers have requested, and the Agent and the Lenders have agreed, subject to the terms and conditions of this Amendment, to (i) modify certain definitions, terms and conditions in the Loan Agreement and (ii) join each Joining Borrower as a joint and several co-borrower under the Loan Agreement.

NOW, THEREFORE, with the foregoing background hereinafter deemed incorporated by reference herein and made part hereof, the parties hereto, intending to be legally bound, promise and agree as follows:

1. Joinder.

(a) Upon the Effective Date (as defined below), each Joining Borrower joins in as, assumes the obligations and liabilities of, adopts the obligations, liabilities and role of, and becomes, a Borrower under the Loan Agreement and the Other Documents. All references to Borrower or Borrowers contained in the Loan Agreement and Other Documents are hereby deemed for all purposes to also refer to and include each Joining Borrower as a Borrower and each Joining Borrower hereby agrees to comply with all terms and conditions of the Loan Agreement and the Other Documents as if such Joining Borrower were an original signatory thereto.

(b) Without limiting the generality of the provisions of 1(a) above, each Joining Borrower hereby becomes liable on a joint and several basis, along with all other Borrowers, for all Advances made by Lenders under the Loan Agreement and the Other Documents and all Obligations thereunder.

2. Amendments to Loan Agreement. Upon the Effective Date, the Loan Agreement is hereby amended and follows:

(a) New Definitions. Section 1.2 of the Loan Agreement is hereby amended by

adding the following new definitions thereto (in the correct alphabetical order):

“Pride Acquisition” shall mean the consummation of the transactions contemplated pursuant to the Pride Acquisition Documents.

“Pride Acquisition Agreement” shall mean the Purchase and Sale Agreement including all exhibits and schedules thereto dated as of October 19, 2022 between Pride Parent, LLC, a Delaware limited liability company, as seller, and GPM, as buyer, as in effect on the Seventh Amendment Closing Date.

“Pride Acquisition Documents” shall mean, collectively, the Pride Acquisition Agreement and all of the other agreements, documents and instruments executed and delivered in connection therewith or related thereto.

“Seventh Amendment Closing Date” shall mean December 6, 2022.

(b) Permitted Acquisitions. The definition of “Permitted Acquisitions” in Section 1.2 of the Loan Agreement is hereby amended by deleting such definition in its entirety and replacing it with the following:

“Permitted Acquisitions” shall mean:

(a) the Empire Acquisition; provided, however, that no assets acquired in the Empire Acquisition shall be included in the Formula Amount until Agent has received a field examination and appraisal of such assets, in each case, in form and substance acceptable to Agent;

(b) the Quarles Acquisition; provided, however, that no Receivables acquired in the Quarles Acquisition or generated from the Quarles Assets shall be included in the Formula Amount until Agent has received a field examination of such Receivables, in form and substance acceptable to Agent, and, to the extent required by Agent in its Permitted Discretion, implemented any changes to the eligibility criteria, Advance Rates and/or Formula Amount sublimits as a result of such field examination;

(c) the Pride Acquisition;

(d) any acquisition that has the closing purchase price funded solely by the MLP (except up to \$2,000,000 of the purchase price plus the amount of inventory acquired, funded and to be retained by a Borrower for sale in the ordinary course of business); or

(e) any other acquisition that meets the following conditions:

(i) at least ten (10) Business Days prior to the date on which any such purchase or acquisition is to be consummated, the Borrowers shall deliver to Agent, on behalf of the Lenders, (i) a description of the proposed acquisition, (ii) to the extent available, a due diligence package (including other customary third party

reports that are permitted to be shared), (iii) to the extent available, a quality of earnings report and (iv) such additional information regarding the target of the proposed acquisition as reasonably requested by Agent.

(ii) such Person and its Subsidiaries shall be required to become Borrowers hereunder and under the other applicable Other Documents pursuant to one or more joinder agreements in form reasonably satisfactory to the Agent and otherwise comply with its obligations under Section 7.12 hereof within the timeframes set forth therein; provided, that this clause (ii) shall not apply with respect to Persons (or their assets) and their respective Subsidiaries that are not required to become Borrowers (or assets with respect to which the Agent does not receive a security interest) pursuant to Section 7.12 hereof; provided, further, that the total consideration paid during the term of this Agreement in respect of all Permitted Acquisitions with respect to which the acquisition target does not become a Borrower, as set forth in Section 7.12 hereof, or the purchased assets are not required to become Collateral, as set forth in Section 7.12 hereof, shall not exceed an amount equal to \$5,000,000 (provided that any cash and Cash Equivalents in foreign bank accounts of Foreign Subsidiaries shall not be subject to such cap);

(iii) immediately before and immediately after giving effect to any such purchase and any Indebtedness incurred or assumed in connection therewith on a Pro Forma Basis, no Event of Default shall have occurred and be continuing; provided that in connection with a Limited Condition Acquisition, compliance with this clause (iii) shall be required on the date of signing such Limited Condition Acquisition and shall require that no Specified Event of Default shall have occurred and be continuing immediately before and after giving effect to such Permitted Acquisition and any Indebtedness assumed or incurred in connection therewith;

(iv) the acquisition of such Person and its Subsidiaries would not cause the Borrowers to breach the covenant contained in Section 7.9 hereof;

(v) such acquisition is not a hostile or contested acquisition;

(vi) either (A) at the time of and after giving effect to such acquisition, Borrowers have Undrawn Availability and Average Undrawn Availability of not less than twenty five percent (25%) of the Maximum Revolving Advance Amount or (B) (I) at the time of and after giving effect to such acquisition, Borrowers have Undrawn Availability and Average Undrawn Availability of not less than fifteen percent (15%) of the Maximum Revolving Advance Amount and (II) the Borrowers shall have delivered to Agent a pro forma balance sheet, pro forma financial statements and a compliance certificate demonstrating that, upon giving effect to such acquisition on a Pro Forma Basis, the Fixed Charge Coverage Ratio of the Borrowers on a Consolidated Basis, would be not less than 1:10 to 1.00, measured as of the most recent Test Period; and

(vii) no assets acquired in any such acquisition shall be included in the Formula Amount until Agent has received a field examination and appraisal of such

assets, in form and substance acceptable to Agent; provided, however, that in the case of any Permitted Acquisition where the acquired convenience store assets do not exceed ten percent (10%) of the Formula Amount (before including the acquired assets in the Formula Amount), such convenience store assets may be included in the Formula Amount prior to Agent receiving a field examination or appraisal for such assets to the extent such assets otherwise satisfy the applicable eligibility criteria; provided, further, however, that the aggregate amount of all such acquired convenience store assets included in the Formula Amount prior to the completion of a field examination and appraisal of such assets shall not exceed fifteen (15%) of the Formula Amount at any time.

For the purposes of calculating Undrawn Availability under this definition, any assets being acquired in the proposed acquisition shall be included in the Formula Amount on the date of closing of such acquisition so long as Agent has received an audit or appraisal of such assets as set forth in clause (vii) above, and so long as such assets satisfy the applicable eligibility criteria.

3. Schedules. Attached hereto as Annex A are supplemental disclosure schedules to the Loan Agreement (“Supplement to Schedules”) necessary to make the representations and warranties contained in the Loan Agreement true and correct with respect to the Pride Acquisition and Joining Borrowers as of the date first written above.

4. Security Grant. To secure the prompt payment and performance to Agent and each Lender of the Obligations: (a) each Existing Borrower reconfirms the prior assignment, pledge and grant pursuant to Article IV of the Loan Agreement of a continuing security interest in and Lien on all of such Existing Borrower’s Collateral, whether now owned or existing or hereafter acquired or arising and wherever located and (b) each Joining Borrower hereby assigns, pledges and grants to Agent for the ratable benefit of each Lender, a continuing first priority, perfected lien and security interest in and upon the Collateral of such Joining Borrower, whether now owned or hereafter acquired or arising and wherever located, in each case, subject to the terms, provisions and limitations set forth in the Loan Agreement.

5. Representations and Warranties. Each Borrower hereby:

(a) reaffirms all representations and warranties made to Agent and the Lenders under the Loan Agreement and all of the other Existing Financing Agreements and confirms that all are true and correct in all respects as of the date hereof as if made on and as of the date hereof, except for representations and warranties which relate exclusively to an earlier date, which shall be true and correct in all respects as of such earlier date;

(b) reaffirms all of the covenants contained in the Loan Agreement, covenants to abide thereby until all Advances, Obligations and other liabilities of Borrowers to Agent and the Lenders under the Loan Agreement of whatever nature and whenever incurred, are satisfied and/or released by Agent and Lenders;

(c) represents and warrants that no Default or Event of Default has occurred and is continuing under any of the Existing Financing Agreements;

(d)represents and warrants that it has the authority and legal right to execute, deliver and carry out the terms of this Amendment, all agreements, instruments and documents relating to the Pride Acquisition, that such actions were duly authorized by all necessary entity action and that the officers executing this Amendment, all agreements, instruments and documents relating to the Pride Acquisition on its behalf were similarly authorized and empowered and that this Amendment, the agreements, instruments and documents relating to the Pride Acquisition do not contravene any provisions of its articles of incorporation, bylaws, certificate of formation, limited liability company agreement or other formation documents, or of any contract or agreement to which it is a party or by which any of its properties are bound;

(e)represents and warrants that Agent has received complete copies of the Pride Acquisition Agreement and the exhibits, schedules and disclosure schedules referred to therein or delivered pursuant thereto, if any, and all amendments thereto to the extent prepared on the Effective Date. None of such documents and agreements have been amended or supplemented, nor have any of the provisions thereof been waived, except pursuant to a written agreement or instrument which has heretofore been delivered to Agent. Each of the representations made by each Borrower party thereto is true and correct in all material respects; and

(f)represents and warrants that this Amendment and all assignments, instruments, documents, and agreements executed and delivered in connection herewith and in connection with the Pride Acquisition are valid, binding and enforceable against Borrowers, as applicable, in accordance with their respective terms except as such enforceability may be limited by equitable principles or any applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally.

6. Conditions Precedent/Effectiveness Conditions. This Amendment shall be effective upon satisfaction of all the following conditions precedent (the "Effective Date") (all documents, instruments and information required to be delivered hereunder shall be in form and substance satisfactory to Agent and Agent's counsel):

(a)Agent shall have received this Amendment fully executed by Borrowers and Guarantors;

(b)Agent shall have received the Supplement to Schedules;

(c)Agent shall have received a Fourth Amended, Restated and Consolidated Revolving Credit Note (the "Amended and Restated Note") fully executed by Borrowers;

(d)Agent shall have received an amended and restated Intercompany Subordination Agreement;

(e)Agent shall have received the Pride Acquisition Agreement;

(f)Agent shall have received Uniform Commercial Code and federal tax lien searches against each Joining Borrower showing no Liens on any of the Collateral, other than Permitted Encumbrances and Liens released upon the closing of the Pride Acquisition pursuant to a payoff letter reasonably acceptable to Agent;

(g) Agent shall have received evidence that each Joining Borrower was added as a named insured to Borrowers' casualty, liability, property and environmental insurance policies;

(h) Agent shall have received a good standing certificate for each Joining Borrower dated not more than 30 days prior to the date of this Amendment, issued by the Secretary of State of such Joining Borrower's jurisdiction of formation;

(i) Agent shall have received a secretary and incumbency certificate for each Joining Borrower identifying all authorized officers with specimen signatures, the organizational documents of such Joining Borrower, and authorizing resolutions of such Joining Borrower authorizing the execution of this Amendment, the Amended and Restated Note and the transactions contemplated herein;

(j) Agent shall have received certified copies of each Joining Borrower's Certificate of Formation and Limited Liability Company Agreement;

(k) Agent shall have received the executed legal opinion of Maury Bricks, Esquire, in form and substance satisfactory to Agent which shall cover such matters incident to the transactions contemplated by this Amendment, the Amended and Restated Note, the Other Documents and related agreements as Agent may reasonably require and each Joining Borrower hereby authorizes and directs such counsel to deliver such opinions to Agent and Lenders;

(l) Since December 31, 2021, there shall not have occurred any event, condition or state of facts which could reasonably be expected to have a Material Adverse Effect;

(m) Agent shall have received payment of all fees, costs, expenses and other amounts required to be paid by Borrowers; and

(n) Agent shall have received such other documents as Agent or counsel to Agent may reasonably request.

7. Payment of Expenses. Borrowers shall pay or reimburse Agent and Lenders for their reasonable attorneys' fees and expenses in connection with the preparation, negotiation and execution of this Amendment and the documents provided for herein or related hereto.

8. Further Assurances. Borrowers hereby agree to take all such actions and to execute and/or deliver to Agent and Lenders all such documents, assignments, financing statements and other documents, as Agent and Lenders may reasonably require from time to time, to effectuate and implement the purposes of this Amendment.

9. Reaffirmation of Loan Agreement. Except as modified by the terms hereof, all of the terms and conditions of the Loan Agreement, as amended, and all other of the Existing Financing Agreements are hereby reaffirmed and shall continue in full force and effect as therein written.

10. Confirmation of Indebtedness. Borrowers confirm and acknowledge that as of the close of business on December 5, 2022, Borrowers were indebted to Agent and Lenders for the Advances under the Loan Agreement without any deduction, defense, setoff, claim or counterclaim, of any nature, in the aggregate principal amount of \$0.00 due on account of

Revolving Advances and \$5,800,206.00.00 on account of undrawn Letters of Credit, plus all fees, costs and expenses incurred to date in connection with the Loan Agreement and the Other Documents.

11. Acknowledgment of Guarantors. By execution of this Amendment, each Guarantor hereby covenants and agrees that its Second Amended, Restated and Consolidated Guaranty and Suretyship Agreement, dated December 22, 2020 (the “Guaranty Agreement”), shall remain in full force and effect and shall continue to cover the existing and future Obligations of Borrowers to Agent and Lenders.

12. Miscellaneous.

(a) Third Party Rights. No rights are intended to be created hereunder for the benefit of any third party donee, creditor, or incidental beneficiary.

(b) Headings. The headings of any paragraph of this Amendment are for convenience only and shall not be used to interpret any provision hereof.

(c) Modifications. No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed on behalf of the party against whom enforcement is sought.

(d) Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania applied to contracts to be performed wholly within the Commonwealth of Pennsylvania.

(e) Counterparts. This Amendment may be executed in any number of counterparts and by facsimile or electronic transmission (which shall bind the parties hereto), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

[Signatures Appear on Following Pages]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first above written.

EXISTING BORROWERS:

GPM INVESTMENTS, LLC
GPM1, LLC
GPM2, LLC
GPM3, LLC
GPM4, LLC
GPM5, LLC
GPM6, LLC
GPM8, LLC
GPM9, LLC
GPM SOUTHEAST, LLC
E CIG LICENSING, LLC
GPM MIDWEST, LLC
GPM MIDWEST 18, LLC
GPM APPLE, LLC
FLORIDA CONVENIENCE STORES, LLC
VILLAGE PANTRIES MERGER SUB, LLC
VILLAGE PANTRY SPECIALTY HOLDING, LLC
MARSH VILLAGE PANTRIES, LLC
VILLAGE PANTRY, LLC
MUNDY REALTY, LLC
VIVA PANTRY & PETRO OPERATIONS, LLC
VILLAGE VARIETY STORE OPERATIONS, LLC
NEXT DOOR GROUP, LLC
PANTRY PROPERTY, LLC
NEXT DOOR RE PROPERTY, LLC
COLONIAL PANTRY HOLDINGS, LLC
ADMIRAL REAL ESTATE I, LLC
GPM EMPIRE, LLC
GPM RE, LLC
GPM GAS MART REALTY CO, LLC
GPM TRANSPORTATION COMPANY, LLC

By: /s/ Arie Kotler
Name: Arie Kotler
Title: Chief Executive Officer

By: /s/ Donald P. Bassell
Name: Donald P. Bassell
Title: Chief Financial Officer

**[SIGNATURE PAGE TO SEVENTH AMENDMENT AND JOINDER TO THIRD AMENDED, RESTATED AND CONSOLIDATED
REVOLVING CREDIT AND SECURITY AGREEMENT]**

JOINING BORROWERS:

**PRIDE CONVENIENCE HOLDINGS, LLC
PRIDE MANAGEMENT, LLC
PRIDE OPERATING, LLC
PRIDE LOGISTICS, LLC**

By: /s/ Arie Kotler
Name: Arie Kotler
Title: Chief Executive Officer

By: /s/ Donald P. Bassell
Name: Donald P. Bassell
Title: Chief Financial Officer

**[SIGNATURE PAGE TO SEVENTH AMENDMENT AND JOINDER TO THIRD AMENDED, RESTATED AND CONSOLIDATED
REVOLVING CREDIT AND SECURITY AGREEMENT]**

ACKNOWLEDGED BY GUARANTOR:

ARKO CONVENIENCE STORES, LLC

By: /s/ Arie Kotler
Name: Arie Kotler
Title: Chief Executive Officer and Manager

By: /s/ Donald P. Bassell
Name: Donald P. Bassell
Title: Chief Financial Officer

**[SIGNATURE PAGE TO SEVENTH AMENDMENT AND JOINDER TO THIRD AMENDED, RESTATED AND CONSOLIDATED
REVOLVING CREDIT AND SECURITY AGREEMENT]**

AGENT AND LENDER:

PNC BANK, NATIONAL ASSOCIATION

By: /s/ James P. Sierakowski
Name: James P. Sierakowski
Title: Senior Vice President

**[SIGNATURE PAGE TO SEVENTH AMENDMENT AND JOINDER TO THIRD AMENDED, RESTATED AND CONSOLIDATED
REVOLVING CREDIT AND SECURITY AGREEMENT]**

**[SIGNATURE PAGE TO SEVENTH AMENDMENT AND JOINDER TO THIRD AMENDED, RESTATED AND CONSOLIDATED
REVOLVING CREDIT AND SECURITY AGREEMENT]**

ANNEX A

(Supplement to Schedules)

[attached]

SECOND AMENDMENT TO CREDIT AGREEMENT

THIS SECOND AMENDMENT TO CREDIT AGREEMENT, dated as of December 9, 2022 (this “**Agreement**”) is by and among the Lenders party hereto, **GPM PETROLEUM LP**, a Delaware limited partnership (the “**Borrower**”), the Guarantors party hereto and **CAPITAL ONE, NATIONAL ASSOCIATION**, as Administrative Agent (the “**Administrative Agent**”), Swingline Lender and an Issuing Lender.

RECITALS:

WHEREAS, reference is hereby made to the Amended and Restated Credit Agreement, dated as of July 15, 2019, by and among the Borrower, the guarantors party thereto from time to time, the lenders party thereto (collectively, the “**Lenders**” and individually, a “**Lender**”) from time to time, and Capital One, National Association, as Administrative Agent and the other agents and parties party thereto from time to time (as amended by that certain Increase Agreement and Amendment, dated as of April 1, 2020, the “**Existing Credit Agreement**”, and as the same may be further amended, restated, amended and restated, supplemented or otherwise modified from time to time, including by this Agreement, the “**Credit Agreement**”; capitalized terms used and not otherwise defined herein being used herein as therein defined);

WHEREAS, pursuant to the Existing Credit Agreement the Administrative Agent has determined that U.S. dollar-denominated syndicated credit facilities being executed, or that include language similar to that contained in Section 2.12 of the Existing Credit Agreement, are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace LIBOR;

WHEREAS, the Administrative Agent has notified the Borrower and the Lenders that it has elected to declare that an Early Opt-in Election (as defined in the Existing Credit Agreement) has occurred, and the Administrative Agent and the Borrower propose to amend the Existing Credit Agreement to replace LIBOR (as defined in the Existing Credit Agreement) with a Benchmark Replacement; and

WHEREAS, pursuant to Section 2.12(b)(i) of the Existing Credit Agreement, the Administrative Agent, the Borrower, and the Lenders party hereto, constituting the Required Lenders, have agreed to amend the Existing Credit Agreement to replace LIBOR as more particularly described and provided for herein.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendment of Existing Credit Agreement. Effective as of the Amendment Effective Date,

(a) the Existing Credit Agreement (exclusive of Schedules and Exhibits thereto) is hereby amended by deleting the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and by inserting the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement attached hereto as Exhibit A;

(b) Exhibit 1.1(c) to the Existing Credit Agreement is hereby amended and restated in its entirety in the form of Exhibit 1.1(c) attached hereto; and

(c)Exhibit 1.1(d) to the Existing Credit Agreement is hereby amended and restated in its entirety in the form of Exhibit 1.1(d) attached hereto.

SECTION 2.Reaffirmation and Confirmation of Credit Documents. Each of the Credit Parties hereby (a) acknowledges the existence, validity and enforceability of this Agreement, (b) confirms and ratifies all of its obligations under the Credit Agreement (immediately after giving effect to this Agreement), each Security Document and the other Credit Documents to which it is party, including its respective guarantees, pledges, grants of security interests and other obligations, as applicable, under and subject to the terms of the Credit Agreement, each Security Document and each of the other Credit Documents to which it is party, and (c) agrees that such guarantees, pledges, grants of security interests and other obligations, and the terms of the Credit Agreement, each Security Document and each of the other Credit Documents to which it is a party, are not impaired or adversely affected in any manner whatsoever and shall continue to be in full force and effect in accordance with their terms and, as applicable, shall guarantee and secure all secured Obligations under the Credit Agreement, as modified pursuant to this Agreement. The parties hereto acknowledge and agree that all references to the “Credit Agreement” (or words of similar import) in the Credit Documents (including each Security Document) refer to the Credit Agreement as amended and supplemented by this Agreement without impairing any such obligations or Liens in any respect.

SECTION 3.Conditions to Initial Effectiveness. The effectiveness of this Agreement is subject to the satisfaction or waiver of each of the following conditions (the date on which such conditions are satisfied or waived, the “**Amendment Effective Date**”):

(a)The Administrative Agent shall have received a counterpart of this Agreement, executed and delivered by the Borrower, the Guarantors and the Required Lenders.

(b)The Administrative Agent and the Lenders shall have received all fees and amounts due and payable, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder and under the Credit Agreement (including, without limitation, the reasonable fees and expenses of Latham & Watkins LLP, counsel to the Administrative Agent).

SECTION 4.Representations and Warranties of the Credit Parties. Each Credit Party hereby represents and warrants, as of the Amendment Effective Date, as follows:

(a)Each of the representations and warranties contained in Article III of the Credit Agreement and in each of the other Credit Documents is true and correct in all material respects (except with respect to representations and warranties which are expressly qualified by materiality, which shall be true and correct in all respects) on and as of the Amendment Effective Date as if made on and as of such date except to the extent that such representations and warranties expressly specifically refer to an earlier date (in which case such representations and warranties are true and correct in all material respects as of such earlier date).

(b)No Default or Event of Default exists as of the Amendment Effective Date.

SECTION 5.Effects on Credit Documents.

(a)Except as specifically amended herein, all Credit Documents shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(b)The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Credit Documents, nor constitute a waiver of any provision of the Credit Documents.

(c)The Credit Parties and the other parties hereto acknowledge and agree that this Agreement shall constitute a Credit Document.

SECTION 6.Amendments; Execution in Counterparts.

(a)This Agreement shall not constitute an amendment of any other provision of the Credit Agreement not referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of the Borrower and any other Credit Party that would require a waiver or consent of the Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions of the Credit Agreement are and shall remain in full force and effect.

(b)This Agreement may not be amended nor may any provision hereof be waived except pursuant to a writing signed by the Borrower, the Administrative Agent and the Lenders party hereto. This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic submission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 7.GOVERNING LAW; WAIVER OF JURY TRIAL. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER CREDIT DOCUMENTS. EACH PARTY HERETO (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION AND IN SECTION 9.16 OF THE CREDIT AGREEMENT.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first set forth above.

GPM PETROLEUM LP, as the Borrower

By: GPM Petroleum GP, LLC, its general partner

By /s/ Don Bassell _____

Name: Don Bassell

Title: CFO

By /s/ Maury Bricks _____

Name: Maury Bricks

Title: General Counsel

GPM PETROLEUM, LLC, as a Guarantor

By /s/ Don Bassell _____

Name: Don Bassell

Title: CFO

By /s/ Maury Bricks _____

Name: Maury Bricks

Title: General Counsel

[Signature Page to Second Amendment]

Consented to by:

CAPITAL ONE, NATIONAL ASSOCIATION

as Administrative Agent, a Lender, Swingline Lender and Issuing Lender

By: /s/ Gabrielle Uzdin

Name: Gabrielle Uzdin

Title: Duly Authorized Signatory

[Signature Page to Second Amendment]

Consented to by:

KeyBank NA,
as a Lender

By: /s/ Amra Rausche
Name: Amra Rausche
Title: Senior Vice President

[Signature Page to Second Amendment]

Consented to by:

Santander Bank, N.A.,
as a Lender

By: /s/ Jennifer Baydian
Name: Jennifer Baydian
Title: Senior Vice President

[Signature Page to Second Amendment]

Consented to by:

Fifth Third Bank, National Association
as a Lender

By: /s/ Mike Ross
Name: Mike Ross
Title: Managing Director

[Signature Page to Second Amendment]

Consented to by:

Raymond James Bank
as a Lender

By: /s/ Mark Specht
Name: Mark Specht
Title: Vice President

[Signature Page to Second Amendment]

Consented to by:

Citizens Bank, N.A.,

as a Lender

By: /s/ Marc C. Van Horn

Name: Marc C. Van Horn

Title: Vice President

[Signature Page to Second Amendment]

Consented to by:

Truist Bank,

as a Lender

By: /s/ Jonathon Austin

Name: Jonathon Austin

Title: Director

[Signature Page to Second Amendment]

Consented to by:

Atlantic Union Bank,
as a Lender

By: /s/ William P. Massie
Name: William P. Massie
Title: Vice President

[Signature Page to Second Amendment]

Exhibit A
Credit Agreement

(see attached)

Exhibit 1.1(c)
Form of Notice of Borrowing

(see attached)

Exhibit 1.1(d)
Form of Notice of Conversion/Extension

(see attached)

AMENDED AND RESTATED CREDIT AGREEMENT

dated as of July 15, 2019

among

GPM PETROLEUM LP,
as the Borrower,

Certain Subsidiaries of the Borrower
from time to time party hereto,
as Guarantors,

CAPITAL ONE, NATIONAL ASSOCIATION,
as Administrative Agent,

KEYBANK NATIONAL ASSOCIATION

and

SANTANDER BANK, N.A.,
as Co-Syndication Agents,

and

The Lenders from time to time party hereto

CAPITAL ONE, NATIONAL ASSOCIATION,

KEYBANK CAPITAL MARKETS INC.

and

SANTANDER BANK, N.A.,
as Joint Lead Arrangers and Joint Bookrunners

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This AMENDED AND RESTATED CREDIT AGREEMENT, dated as of July 15, 2019 (this “Agreement”), is entered into by and among GPM PETROLEUM LP, a Delaware limited partnership (together with its successors and assigns, the “Borrower”), the Guarantors (as hereinafter defined) from time to time party hereto, the Lenders (as hereinafter defined) from time to time party hereto, and CAPITAL ONE, NATIONAL ASSOCIATION, as administrative agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the “Administrative Agent”), and as the Issuing Lender (as defined below).

RECITALS:

WHEREAS, the Borrower and the Guarantors are party to that certain Credit Agreement, dated as of January 12, 2016 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Existing Credit Agreement”), among the Borrower, the guarantors party thereto from time to time, KeyBank National Association, as administrative agent, the lenders party thereto from time to time, and the other parties party thereto.

WHEREAS, the Borrower, the Guarantors, the Administrative Agent and the Lenders mutually desire to amend and restate the Existing Credit Agreement in its entirety.

NOW, THEREOF, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree that the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

AGREEMENT:

ARTICLE I

DEFINITIONS

Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

“Acquisition” shall mean any transaction or series of related transactions for the purpose or resulting, directly or indirectly, in the acquisition (whether for cash, property, services, assumption of Indebtedness, securities or otherwise) of (a) Equity Interests, other ownership interests or other securities of any Person, (b) bonds, notes or debentures of any Person, (c) any assets of any Person, or (d) any Person by way of merger, consolidation, amalgamation or any combination with such Person.

“Adjusted Term SOFR” shall mean, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation, plus (b) the Term SOFR Adjustment; provided, that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

“Administrative Agent” shall have the meaning set forth in the first paragraph of this Agreement and shall include any successors in such capacity.

“Administrative Questionnaire” shall mean an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affected Financial Institution” shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” shall mean, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by, or is under common Control with, the Person specified.

“Agreement” shall mean this Amended and Restated Credit Agreement, as amended by the Increase Agreement and Amendment, and as the same may from time to time be further amended, modified, amended and restated, supplemented or restated.

“Alternate Base Rate” shall mean, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) the sum of (i) ~~LIBOR (as determined pursuant to the definition of LIBOR), for~~ **Adjusted Term SOFR calculated for each such day based on** an Interest Period of one ~~(1)~~ **commencing on determined two (2) Business Days prior to** such day plus (ii) 1.00%, in each instance as of such date of determination. For purposes hereof: “Prime Rate” shall mean, at any time, the rate of interest per annum publicly announced or otherwise identified from time to time by the Administrative Agent at its principal office in the United States of America as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in the Prime Rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its Prime Rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks; and “Federal Funds Effective Rate” shall mean, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published on the next succeeding Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it. If for any reason the Administrative Agent shall have determined (which determination shall be conclusive in the absence of manifest error) (A) that it is unable to ascertain the Federal Funds Effective Rate, for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms above or (B) that the Prime Rate or ~~LIBOR~~ **Term SOFR** no longer accurately reflects an accurate determination of the prevailing Prime Rate or ~~LIBOR~~ **Term SOFR**, the Administrative Agent may select a reasonably comparable index or source to use as the basis for the Alternate Base Rate, until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in any of the foregoing will become effective on the effective date of such change in the Federal Funds Effective Rate, the Prime Rate or ~~LIBOR~~ **Adjusted Term SOFR** for an Interest Period of one (1) month.

“Alternate Base Rate Loans” shall mean Loans that bear interest at an interest rate based on the Alternate Base Rate.

“Applicable Margin” shall mean, for any day, the rate per annum set forth below opposite the applicable level then in effect (based on the Consolidated Total Leverage Ratio), it being understood that the Applicable Margin for (a) Revolving Loans that are Alternate Base Rate Loans shall be the percentage set forth under the column “Alternate Base Rate Margin,” (b) Revolving Loans that are ~~LIBOR Rate~~SOFR Loans shall be the percentage set forth under the column “~~LIBOR~~SOFR Margin & L/C Fee,” (c) the Letter of Credit Fee shall be the percentage set forth under the column “~~LIBOR~~SOFR Margin & L/C Fee,” and (d) the Commitment Fee shall be the percentage set forth under the column “Commitment Fee”:

Level	Consolidated Total Leverage Ratio	Applicable Margin		
		LIBOR SOFR Margin & L/C Fee	Alternate Base Rate Margin	Commitment Fee
I	Less than 2.50 to 1:00	2.25%	1.25%	0.300%
II	Greater than or equal to 2.50 to 1.00 but less than 3.00 to 1.00	2.50%	1.50%	0.375%
III	Greater than or equal to 3.00 to 1.00 but less than 3.50 to 1.00	2.75%	1.75%	0.375%
IV	Greater than or equal to 3.50 to 1.00 but less than 4.00 to 1.00	3.00%	2.00%	0.500%
V	Greater than or equal to 4.00 to 1.00	3.25%	2.25%	0.500%

The Applicable Margin shall, in each case, be determined and adjusted quarterly on the date five (5) Business Days after the date on which the Administrative Agent has received from the Borrower the quarterly financial information (in the case of the first three fiscal quarters of the Borrower’s fiscal year), the annual financial information (in the case of the fourth fiscal quarter of the Borrower’s fiscal year) and the certifications required to be delivered to the Administrative Agent and the Lenders in accordance with the provisions of Section 5.1(a), Section 5.1(b) and Section 5.2(a) (each an “Interest Determination Date”). Such Applicable Margin shall be effective from such Interest Determination Date until the next such Interest Determination Date. After the Closing Date, if the Credit Parties fail to provide the financial information or certifications in accordance with the provisions of Section 5.1(a), Section 5.1(b) and Section 5.2(a), the Applicable Margin shall, on the date five (5) Business Days after the date by which the Credit Parties were so required to provide such financial information or certifications to the Administrative Agent and the Lenders, be based on Level V until such date as such information or certifications or corrected information or corrected certificates are provided, whereupon the Level shall be determined by the then current Consolidated Total Leverage Ratio. Notwithstanding the foregoing, the initial Applicable Margin shall be determined based on the pro forma Consolidated Total Leverage Ratio as certified by a Responsible Officer of the Borrower on the Closing Date pursuant to Section 4.1(l) until the financial information and certificates required to be delivered pursuant to Section 5.1(b) and Section 5.2(a) for the first fiscal quarter to occur following the Closing Date have been delivered to the Administrative Agent, for distribution to the Lenders. In the event that any financial statement or certification delivered pursuant to Section 5.1 or Section 5.2 is shown to be inaccurate (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an “Applicable Period”) than the Applicable Margin applied for such Applicable Period, the Borrower shall immediately (a) deliver to the Administrative Agent a corrected Compliance Certificate for such Applicable Period, (b) determine the Applicable Margin for such Applicable Period based upon the corrected Compliance

Certificate, and (c) immediately pay to the Administrative Agent for the benefit of the Lenders the accrued additional interest and other fees owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly distributed by the Administrative Agent to the Lenders entitled thereto. It is acknowledged and agreed that nothing contained herein shall limit the rights of the Administrative Agent and the Lenders under the Credit Documents, including their rights under Section 2.7 and Section 7.1. †Notwithstanding the foregoing, as of the Specified Acquisition Closing Date, the Applicable Margin shall be determined based on the pro forma Consolidated Total Leverage Ratio (including, without limitation, giving pro forma effect to consummation of the Specified Acquisition and the transactions contemplated by the Increase Agreement and Amendment), as certified by a Responsible Officer of the Borrower on the date of the Specified Acquisition Closing Date until the financial information and certificates required to be delivered pursuant to Section 5.1(b) and Section 5.2(a) for the first fiscal quarter to occur following the Specified Acquisition Closing Date have been delivered to the Administrative Agent, for distribution to the Lenders.†

“Applicable Percentage” shall mean, with respect to any Revolving Lender, the percentage of the total Revolving Commitments represented by such Revolving Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Percentage shall be determined based on the Revolving Commitments most recently in effect, giving effect to any assignments.

“Approved Bank” shall have the meaning set forth in the definition of “Cash Equivalents.”

“Approved Fund” shall mean any Fund that is administered, managed or underwritten by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” shall mean, collectively, Capital One, National Association, KeyBanc Capital Markets Inc. and Santander Bank, N.A.

“Assignment and Assumption” shall mean an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 9.6), and accepted by the Administrative Agent, in substantially the form of Exhibit 1.1(a) or any other form approved by the Administrative Agent.

“Auto-Extension Letter of Credit” shall have the meaning set forth in Section 2.2(l).

“Available Tenor” shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.12(b)(iv).

“Bail-In Action” shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Code” shall mean the Bankruptcy Code in Title 11 of the United States Code, as amended, modified, succeeded or replaced from time to time.

“Bankruptcy Event” shall mean any of the events described in Section 7.1(e).

“Base Rate Term SOFR Determination Day” has the meaning specified in the definition of “Term SOFR”.

“Benchmark” shall mean, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.12(b).

“Benchmark Replacement” shall mean with respect to any Benchmark Transition Event, the sum of: ~~(#i)~~ the alternate benchmark rate ~~(which may include Term SOFR)~~ that has been selected by the Administrative Agent and the Borrower giving due consideration to ~~(iA)~~ any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or ~~(#B)~~ any evolving or then-prevailing market convention for determining a benchmark rate ~~of interest~~ as a replacement to ~~LIBOR~~the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities and ~~(bii)~~ the related Benchmark Replacement Adjustment; provided that, if ~~the~~such Benchmark Replacement as so determined would be less than ~~zero~~, the Floor, such Benchmark Replacement will be deemed to be ~~zero~~the Floor for the purposes of this Agreement and the other Credit Documents.

“Benchmark Replacement Adjustment” shall mean, with respect to any replacement of ~~LIBOR~~the then-current Benchmark with an Unadjusted Benchmark Replacement for ~~each~~any applicable ~~Interest-Period~~Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to ~~(a)~~ any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of ~~LIBOR~~such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or ~~(#b)~~ any evolving or then-prevailing market convention for determining a spread adjustment, or method for

calculating or determining such spread adjustment, for the replacement of ~~LIBOR~~such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities ~~at such time~~.

“Benchmark Replacement Conforming Changes” shall mean, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), the definition of “U.S. Government Securities Business Day,” timing and frequency of determining rates and making payments of interest ~~and other, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of Section 2.12(a) and other technical~~, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of ~~the~~such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

“Benchmark Replacement Date” shall mean the earlier to occur of the following events with respect to ~~LIBOR: the then-current~~ Benchmark:

(~~a1~~) in the case of clause (~~a1~~) or (~~b2~~) of the definition of “Benchmark Transition Event,” the later of (~~ia~~) the date of the public statement or publication of information referenced therein and (~~ib~~) the date on which the administrator of ~~LIBOR~~such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide ~~LIBOR; or (b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;~~all Available Tenors of such Benchmark (or such component thereof); or

~~“Benchmark Transition Event” shall mean the occurrence of one or more of the following events with respect to LIBOR: (a) a public statement or publication of information by or on behalf of the administrator of LIBOR announcing that such administrator has ceased or will cease to provide LIBOR, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR; (b) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for LIBOR, a resolution authority with jurisdiction over the administrator for LIBOR or a court or an entity with similar insolvency or resolution authority over the administrator for LIBOR, which states that the administrator of LIBOR has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR; or (c) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR announcing that LIBOR is no longer representative.~~

(2) in the case of clause (3) of the definition of “Benchmark Transition Event”, the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of

information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Start Date” shall mean ~~(a)~~ in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) ~~and (b) in the case of an Early Opt-in Election, the date specified by the Administrative Agent or the Required Lenders, as applicable, by notice to the Borrower, the Administrative Agent (in the case of such notice by the Required Lenders) and the Lenders.~~

“Benchmark Unavailability Period” shall mean, ~~if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR and solely to the extent that LIBOR has not been replaced with a Benchmark Replacement,~~ the period ~~(xif any) (a)~~ beginning at the time that ~~such~~ a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced ~~LIBOR the then-current Benchmark~~ for all purposes hereunder ~~and under any Credit Document~~ in accordance with ~~the~~ Section ~~titled “Effect of Benchmark Transition Event”~~ 2.12(b) and ~~(yb)~~ ending at the time that a Benchmark Replacement has replaced ~~LIBOR the then-current Benchmark~~ for all purposes hereunder ~~pursuant to and under any Credit Document in accordance with~~ Section 2.12(b).

“Beneficial Ownership Certification” shall mean a certificate regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” shall mean 31 C.F.R. § 1010.230.

“Benefit Plan” shall mean any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan.”

“BHC Act Affiliate” shall have the meaning set forth in Section 9.28(b).

“Borrower” shall have the meaning set forth in the first paragraph of this Agreement.

“Borrowing Date” shall mean, in respect of any Loan, the date such Loan is made.

“Building” shall mean a “Building” or “Manufactured (Mobile) Home,” each as defined in the applicable Flood Insurance Laws.

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which commercial banks in Richmond, Virginia or New York, New York are authorized or required by law to close; ~~provided, however, that~~ and, when ~~used~~ determined in connection with ~~a rate determination, borrowing or payment in respect of a LIBOR Rate Loan, the term “Business Day” shall also exclude any day on which banks in London, England are not open for~~

~~dealings in Dollar deposits in the London interbank market.~~ notices and determinations in respect of SOFR or any SOFR Loan or any funding, conversion, continuation, Interest Period or payment of any SOFR Loan, that is also a U.S. Government Securities Business Day.

“Capital Lease” shall mean any lease of property, real or personal, the obligations with respect to which are required to be capitalized on a balance sheet of the lessee in accordance with GAAP.

“Capital Lease Obligations” shall mean, with respect to each Capital Lease, the amount of the liability reflecting the aggregate discounted amount of future payments under such Capital Lease calculated in accordance with GAAP, statement of financial accounting standards No. 13 (as amended and modified from time to time) and any corresponding future interpretations by the Financial Accounting Standards Board or any successor thereto relating to a Capital Lease determined in accordance with GAAP.

“Capital One” shall mean Capital One, National Association.

“Capital One Engagement Letter” shall mean that certain Engagement Letter, dated as of June 11, 2019, among GPM Investments, the Borrower and the Administrative Agent.

“Cash Collateral” shall have a meaning correlative to the definition of Cash Collateralize and shall include the proceeds of such cash collateral and other credit support.

“Cash Collateralize” shall mean to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, the Issuing Lender or Swingline Lender (as applicable) and the Lenders, as collateral for LOC Obligations, obligations in respect of Swingline Loans, or obligations of Lenders to fund participations in respect of either thereof (as the context may require), cash or deposit account balances or, if the Issuing Lender or Swingline Lender benefiting from such collateral shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to (a) the Administrative Agent and (b) the Issuing Lender or the Swingline Lender, as applicable.

“Cash Equivalents” shall mean (a) securities issued or directly and fully guaranteed or insured by the United States of America or any agency or instrumentality thereof (provided that the full faith and credit of the United States of America is pledged in support thereof) having maturities of not more than twelve months from the date of acquisition (“Government Obligations”), (b) Dollar denominated time deposits, certificates of deposit, Eurodollar time deposits and Eurodollar certificates of deposit of (i) any domestic commercial bank of recognized standing having capital and surplus in excess of \$500,000,000 or (ii) any bank whose short-term commercial paper rating at the time of the acquisition thereof is at least A-1 or the equivalent thereof from S&P is at least P-1 or the equivalent thereof from Moody’s (any such bank being an “Approved Bank”), in each case with maturities of not more than 364 days from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P-1 (or the equivalent thereof) or better by Moody’s and maturing within six months of the date of acquisition,

(d) repurchase agreements with a term of not more than thirty (30) days with a bank or trust company (including a Lender) or a recognized securities dealer having capital and surplus in excess of \$500,000,000 for direct obligations issued by or fully guaranteed by the United States of America, (e) obligations of any state of the United States or any political subdivision thereof for the payment of the principal and redemption price of and interest on which there shall have been irrevocably deposited Government Obligations maturing as to principal and interest at times and in amounts sufficient to provide such payment, (f) money market accounts subject to Rule 2-a7 of the Investment Company Act of 1940 (“Rule 2a-7”) which consist primarily of cash and cash equivalents set forth in clauses (a) through (e) above and of which 95% shall at all times be comprised of First Tier Securities (as defined in Rule 2a-7) and any remaining amount shall at all times be comprised of Second Tier Securities (as defined in Rule 2a-7) and (g) shares of any so-called “money market fund”; provided that such fund is registered under the Investment Company Act of 1940, has net assets of at least \$500,000,000 and has an investment portfolio with an average maturity of 365 days or less.

“CERCLA” shall mean the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

“CERCLIS” shall mean the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency.

“CFC” shall mean any Subsidiary that is a “controlled foreign corporation” within the meaning of Section 957 of the Code.

“Change in Law” shall mean the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“Change of Control” shall mean:

(i) GPM Investments shall cease to own and control, directly or indirectly, Equity Interests in the Borrower representing at least 35% of the aggregate voting power represented by the issued and outstanding limited partner Equity Interests in the Borrower;

(ii) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group (within the meaning of the Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), other than by

GPM Investments (directly or indirectly), of Equity Interests representing more than 50% of the aggregate voting power represented by the issued and outstanding limited partner Equity Interests in the Borrower and such Person or group shall be entitled to vote such Equity Interests pursuant to the terms of the Partnership Agreement;

(iii) within any period of twelve (12) consecutive calendar months, individuals who were (A) members of the board of managers, or similar governing body, of the General Partner on the first day of such period, (B) appointed or nominated by such individuals referred to in the foregoing clause (B), or (C) appointed or nominated by GPM Investments, shall not constitute a majority of the members of the board of managers, or similar governing body, of the General Partner;

(iv) GPM Investments shall cease to own, directly or indirectly, Equity Interests of the General Partner representing at least a majority of the aggregate voting power and non-voting economic interests represented by the issued and outstanding Equity Interests in the General Partner or cease to possess the power to direct or cause the direction of the management or policies of the General Partner;

(v) the General Partner shall cease to be the sole general partner of the Borrower or in any way cease to possess the power to direct or cause the direction of the management or policies of the Borrower;

(vi) except for transactions permitted by Section 6.4, the Borrower shall cease to own and Control, directly or indirectly, all of the Equity Interests of GPM Opco or any other Credit Party; or

(vii) a "Change of Control" (as defined in the Partnership Agreement as in effect on the date of this Agreement).

"Closing Date" shall have the meaning set forth in Section 4.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Collateral" shall mean a collective reference to the collateral which is identified in, and at any time will be covered by, the Security Documents and any other property or assets of a Credit Party, whether tangible or intangible and whether real or personal, that may from time to time secure all or any part of the Obligations.

"Commitment" shall mean the Revolving Commitments, the LOC Commitment and the Swingline Commitment, individually or collectively, as appropriate.

"Commitment Fee" shall have the meaning set forth in Section 2.4(a).

"Commitment Period" shall mean (a) with respect to Revolving Loans and Swingline Loans, the period from and including the Closing Date to but excluding the Revolving Maturity

Date, and (b) with respect to Letters of Credit, the period from and including the Closing Date to but excluding the date that is thirty (30) days prior to the Revolving Maturity Date.

“Committed Funded Exposure” shall mean, as to any Lender at any time, the aggregate of the LOC Obligations and principal amount of outstanding Loans, in each case, owing to such Lender and Participation Interests of such Lender at such time.

“Commodity Exchange Act” shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended.

“Commonly Controlled Entity” shall mean an entity, whether or not incorporated, which is under common control with the Borrower within the meaning of Section 4001(b)(1) of ERISA or is part of a group which includes the Borrower and which is treated as a single employer under Section 414(b) or 414(c) of the Code or, solely for purposes of Section 412 of the Code to the extent required by such Section, Section 414(m) or (o) of the Code.

“Compliance Certificate” shall have the meaning set forth in Section 5.2(a).

“Connection Income Taxes” shall mean Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consideration” shall mean, in connection with an Acquisition, the aggregate consideration paid, including borrowed funds, cash, the issuance of securities or notes, the assumption or incurring of liabilities (direct or contingent), the payment of consulting fees (excluding any fees payable to any investment banker in connection with such Acquisition) or fees for a covenant not to compete and any other consideration paid; provided, however, that prior to the Required Lender Notice Date, the definition of Consideration shall not include any consideration paid in the form of the issuance of Equity Interests (other than Disqualified Equity) of the Borrower.

“Consolidated” shall mean, when used with reference to financial statements or financial statement items of the Borrower and its Subsidiaries or any other Person, such statements or items on a consolidated basis in accordance with the consolidation principles of GAAP.

“Consolidated EBITDA” shall mean, for any period of determination, without duplication, (a) Consolidated Net Income for such period plus (b) the sum of the following to the extent deducted in calculating Consolidated Net Income for such period: (i) Consolidated Interest Expense for such period, (ii) tax expense (including, without limitation, any federal, state, local and foreign income and similar taxes) of the Credit Parties and their Subsidiaries for such period, (iii) depreciation and amortization expense of the Credit Parties and their Subsidiaries for such period, (iv) other non-cash charges (excluding reserves for future cash charges) of the Credit Parties and their Subsidiaries for such period, (v) transaction fees and expenses incurred in connection with negotiation, execution, and delivery of this Agreement and the consummation of the Transactions incurred during such period and on or before the Closing Date, in an aggregate amount not to exceed \$2,000,000 and only to the extent such fees and expenses are reasonable and customary for such transactions, as approved by the Administrative Agent in its sole discretion and (vi) reasonable and customary transaction costs and expenses incurred in connection with

Permitted Acquisitions (irrespective of whether such Permitted Acquisitions close) in an aggregate amount for all Permitted Acquisitions not to exceed \$2,000,000 (or such greater amount approved in writing by the Required Lenders), minus (c) non-cash charges previously added back to Consolidated Net Income in determining Consolidated EBITDA to the extent such non-cash charges have become cash charges during such period, minus (d) any other non-recurring, non-cash gains during such period (including, without limitation, (i) gains from the sale or exchange of assets and (ii) gains from early extinguishment of Indebtedness or Hedging Agreements of the Credit Parties and their Subsidiaries). Consolidated EBITDA shall be calculated after giving effect to, without duplication, any Permitted Acquisition made during the applicable period of determination as if such Permitted Acquisition had occurred on the first day of such period.

“Consolidated Interest Coverage Ratio” shall mean, as of any date of determination, for the Credit Parties and their Subsidiaries on a Consolidated basis, the ratio of (a) Consolidated EBITDA to (b) Consolidated Interest Expense, in each case, determined on a trailing four-quarter basis; provided, that for the purpose of the Consolidated Interest Coverage Ratio, Consolidated EBITDA (w) for the first fiscal quarter ending after the Specified Acquisition Closing Date shall be Consolidated EBITDA for such fiscal quarter, multiplied by four, (x) for the second fiscal quarter ending after the Specified Acquisition Closing Date shall be Consolidated EBITDA for such two fiscal quarter period, multiplied by two, (y) for the third fiscal quarter ending after the Specified Acquisition Closing Date shall be Consolidated EBITDA for such three fiscal quarter period, multiplied by 4/3, and (z) thereafter shall be determined on a trailing four-quarter basis; provided, further, that for the avoidance of doubt, Consolidated EBITDA for the first fiscal quarter ending after the Specified Acquisition Closing Date shall be calculated after giving effect to the Specified Acquisition as if the Specified Acquisition had occurred on the first day of such period.

“Consolidated Interest Expense” shall mean, for any period of determination, the total interest expense paid in cash (including, without limitation, amortization of debt discount, capitalized interest and the interest component under Capital Leases and synthetic leases, tax retention operating leases, off-balance sheet loans and similar off-balance sheet financing products or the portion of any payments or accruals in connection with any of the foregoing allocable to interest expense) for such period of the Credit Parties and their Subsidiaries on a Consolidated basis; provided, however, that Consolidated Interest Expense shall not include upfront fees paid in connection with this Agreement or any facility for borrowed money in which fees are paid from the proceeds of such facility.

“Consolidated Net Income” shall mean, for any period of determination, the net income or loss (excluding (a) extraordinary losses and extraordinary gains, and (b) income of any Person in which the Borrower and its Subsidiaries has an interest (which interest does not cause the net income or loss of such other Person to be consolidated with the net income or loss of the Borrower and its Subsidiaries in accordance with GAAP), except to the extent of any net income actually distributed as a cash dividend or other cash distribution by such Person during such period to the Borrower or its Subsidiaries) of the Credit Parties and their Subsidiaries on a Consolidated basis for such period, all as determined in accordance with GAAP.

“Consolidated Total Debt” shall mean, as of any date of determination, the sum (without duplication) of all Indebtedness of the Borrower and its Subsidiaries (other than pursuant to clause (h) or (i) (except to the extent of unreimbursed drafts) of the definition of Indebtedness), all as

determined on a Consolidated basis; provided that the outstanding principal amount of the PNC Term Loans as of such date shall only be included in the calculation of Consolidated Total Debt to the extent, if any, the value of the cash or Cash Equivalents on deposit or otherwise maintained as collateral for the PNC Term Loans on such date is less than the aggregate principal amount of the PNC Term Loans outstanding on such date, and then such calculation shall only include an amount of the PNC Term Loans equal to such shortfall.

“Consolidated Total Leverage Ratio” shall mean, as of any date of determination, for the Credit Parties and their Subsidiaries on a Consolidated basis, the ratio of (a) Consolidated Total Debt on such date to (b) Consolidated EBITDA determined on a trailing four-quarter basis; provided, that for the purpose of the Consolidated Total Leverage Ratio, Consolidated EBITDA (w) for the first fiscal quarter ending after the Specified Acquisition Closing Date shall be Consolidated EBITDA for such fiscal quarter, multiplied by four, (x) for the second fiscal quarter ending after the Specified Acquisition Closing Date shall be Consolidated EBITDA for such two fiscal quarter period, multiplied by two, (y) for the third fiscal quarter ending after the Specified Acquisition Closing Date shall be Consolidated EBITDA for such three fiscal quarter period, multiplied by 4/3, and (z) thereafter shall be determined on a trailing four-quarter basis; provided, further, that for the avoidance of doubt, Consolidated EBITDA for the first fiscal quarter ending after the Specified Acquisition Closing Date shall be calculated after giving effect to the Specified Acquisition as if the Specified Acquisition had occurred on the first day of such period.

“Control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. For the purposes of this definition, and without limiting the generality of the foregoing, any Person that owns directly or indirectly 10% or more of the Equity Interests having ordinary voting power for the election of the directors or other governing body of a Person will be deemed to “control” such other Person. “Controlling” and “Controlled” have meanings correlative thereto.

“Co-Documentation Agents” shall mean Fifth Third Bank and Raymond James Bank, N.A.

“Co-Syndication Agents” shall mean KeyBank National Association and Santander Bank, N.A.

“Covered Entity” shall have the meaning set forth in Section 9.28(b).

“Covered Party” shall have the meaning set forth in Section 9.28(a).

“Credit Documents” shall mean this Agreement, the Increase Agreement and Amendment, the Notes, the Joinder Agreements (if any), the Letters of Credit, the LOC Documents, the GPM Investments Letter Agreement, the Security Documents, the Capital One Engagement Letter, and any other fee letter entered into between the Borrower or any other Credit Party and the Administrative Agent, the Arrangers or any Lender from time to time in respect of the Extensions of Credit, and all other agreements, instruments and certificates delivered to the Administrative Agent under or in connection with this Agreement, as the same may be amended or supplemented in connection with the Increase Agreement and Amendment.

“Credit Party” shall mean any of the Borrower or the other Guarantors.

“Debtor Plan” shall have the meaning set forth in Section 9.6(f)(iii).

“Debtor Relief Laws” shall mean the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” shall mean any of the events specified in Section 7.1, whether or not any requirement for the giving of notice or the lapse of time, or both, or any other condition, has been satisfied.

“Default Rate” shall mean (a) when used with respect to the Obligations, other than Letter of Credit Fees, an interest rate equal to (i) for Alternate Base Rate Loans (A) the Alternate Base Rate plus (B) the Applicable Margin applicable to Alternate Base Rate Loans plus (C) 2.00% per annum and (ii) for ~~LIBOR-Rate~~SOFR Loans, (A) ~~the LIBOR-Rate~~Adjusted Term SOFR plus (B) the Applicable Margin applicable to ~~LIBOR-Rate-Loan~~SOFR Loans plus (C) 2.00% per annum, (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Margin applicable to Letter of Credit Fees plus 2.00% per annum and (c) when used with respect to any other fee or amount due hereunder, a rate equal to the Applicable Margin applicable to Alternate Base Rate Loans plus 2.00% per annum.

“Default Right” shall have the meaning set forth in Section 9.28(b).

“Defaulting Lender” shall mean, subject to Section 2.19(b), any Lender that, (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, any Issuing Lender, any Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swingline Loans) within two (2) Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or any Issuing Lender or Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or

similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.19(b)) upon delivery of written notice of such determination to the Borrower, each Issuing Lender, each Swingline Lender and each Lender.

“Deposit Account Control Agreement” shall mean an agreement, among a Credit Party, a depository institution, and the Administrative Agent, which agreement is in a form acceptable to the Administrative Agent and which provides the Administrative Agent with “control” (as such term is used in Article 9 of the UCC) over the deposit account(s) described therein, as the same may be amended, modified, extended, restated, replaced, or supplemented from time to time.

“Disposition” shall have the meaning set forth in Section 6.4(a).

“Disqualified Equity” shall have the meaning specified in the definition of “Indebtedness.”

“Distribution Contracts” shall mean, collectively, those certain fuel distribution agreements listed on Schedule 1.2.

“Dollars” and “\$” shall mean dollars in lawful currency of the United States of America.

“Domestic Lending Office” shall mean, initially, the office of each Lender designated as such Lender’s Domestic Lending Office shown in such Lender’s Administrative Questionnaire; and thereafter, such other office of such Lender as such Lender may from time to time specify to the Administrative Agent and the Borrower as the office of such Lender at which Alternate Base Rate Loans of such Lender are to be made.

“Domestic Subsidiary” shall mean any Subsidiary that is organized and existing under the laws of the United States or any state or commonwealth thereof or under the laws of the District of Columbia.

~~“Early Opt-in Election” shall mean the occurrence of (a) (i) a determination by the Administrative Agent or (ii) a notification by the Required Lenders to the Administrative Agent (with a copy to the Borrower) that the Required Lenders have determined that U.S. dollar-denominated syndicated credit facilities being executed at such time, or that include language similar to that contained in this Section titled “Effect of Benchmark Transition Event,” are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace LIBOR, and (b) (i) the election by the Administrative~~

~~Agent or (ii) the election by the Required Lenders to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower and the Lenders or by the Required Lenders of written notice of such election to the Administrative Agent.~~

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country that is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, Norway, and the United Kingdom.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” shall mean (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund and (d) any other Person (other than a natural person) subject to any approvals required under Section 9.6(b)(iii); provided that notwithstanding the foregoing, “Eligible Assignee” shall not include (A) GPM Investments or any Credit Party or any of their respective Affiliates or Subsidiaries, or (B) any Defaulting Lender (or any of their Affiliates).

“Environmental Laws” shall mean any and all applicable foreign, federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirement of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health or the environment, as now or may at any time be in effect during the term of this Agreement.

“Equity Interests” shall mean (a) in the case of a corporation, capital stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, (c) in the case of a partnership, partnership interests (whether general, preferred or limited), (d) in the case of a limited liability company, membership interests and (e) any other interest or participation that confers or could confer on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, without limitation, options, warrants and any other “equity security” as defined in Rule 3a11-1 of the Exchange Act.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

“ERISA Event” shall mean: (a) a Reportable Event with respect to a Plan; (b) a withdrawal by the Borrower or any Commonly Controlled Entity from a Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any Commonly

Controlled Entity from a Multiemployer Plan or notification that a Multiemployer Plan is in Reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Plan or Multiemployer Plan; (e) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any Commonly Controlled Entity.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

~~“Eurodollar Reserve Percentage” shall mean for any day, the percentage (expressed as a decimal and rounded upwards, if necessary, to the next higher 1/100th of 1%) which is in effect for such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any basic, supplemental or emergency reserves) in respect of Eurocurrency liabilities, as defined in Regulation D of such Board as in effect from time to time, or any similar category of liabilities for a member bank of the Federal Reserve System in New York City.~~

“Event of Default” shall have the meaning set forth in Section 7.1.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

“Excluded Swap Obligation” shall mean, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guaranty thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guaranty of such Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty or security interest is or becomes illegal.

“Excluded Taxes” shall mean any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires

such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.17(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.15, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.15(g) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" shall have the meaning set forth in the Recitals.

"Extension of Credit" shall mean, as to any Lender, the making of a Loan by such Lender, any conversion of a Loan from one type to another type, any extension of any Loan or the issuance, extension or renewal of, or participation in, a Letter of Credit or Swingline Loan by such Lender.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code, and any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code.

"Federal Funds Effective Rate" shall have the meaning set forth in the definition of "Alternate Base Rate."

"Federal Reserve Bank of New York's Website" shall mean the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

"Federal Reserve Board" shall mean the Board of Governors of the Federal Reserve System, or any entity succeeding to any of its principal functions.

"Flood Insurance Laws" means (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time, (d) the Flood Insurance Reform Act of 2004, (e) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto and (f) any regulations promulgated under any of the foregoing.

"Floor" shall mean zero.

"Foreign Lender" shall mean a Lender that is not a U.S. Person.

"Foreign Subsidiary" shall mean any Subsidiary that is not a Domestic Subsidiary.

"Fronting Exposure" shall mean, at any time there is a Defaulting Lender, (a) with respect to any Issuing Lender, such Defaulting Lender's Applicable Percentage of the outstanding LOC Obligations with respect to Letters of Credit issued by such Issuing Lender other than LOC

Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (b) with respect to any Swingline Lender, such Defaulting Lender's Applicable Percentage of outstanding Swingline Loans made by such Swingline Lender other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"FSHCO" shall mean any Subsidiary (including a disregarded entity for U.S. federal income tax purposes) that owns (directly or through its Subsidiaries) no material assets other than Equity Interests of one or more Foreign Subsidiaries that are CFCs.

"Fuel Supply Contract" shall mean, collectively, each of the fuel supply contracts of the Borrower or any of its Subsidiaries (i) which accounts for more than 10% of the aggregate gallons of fuel supplied to all Credit Parties during any 12-month period, or (ii) the breach, cancellation, termination or non-renewal of which could reasonably be expected to have a Material Adverse Effect, including, without limitation, fuel supply agreements with Valero Marketing and Supply Company, BP Products North America Inc., Equilon Enterprises LLC dba Shell Oil Products US, Marathon Petroleum Company LP, and any of their respective Affiliates.

"Fund" shall mean any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GAAP" shall mean generally accepted accounting principles in effect in the United States of America (or, in the case of Foreign Subsidiaries with significant operations outside the United States of America, generally accepted accounting principles in effect from time to time in their respective jurisdictions of organization or formation) applied on a consistent basis.

"General Partner" shall mean GPM Petroleum GP, LLC, a Delaware limited liability company.

"Government Obligations" shall have the meaning set forth in the definition of "Cash Equivalents."

"Governmental Authority" shall mean the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"GPM Investments" shall mean GPM Investments, LLC, a Delaware limited liability company.

"GPM Investments Letter Agreement" shall mean the letter agreement, in form and substance satisfactory to the Administrative Agent, dated as of the Closing Date, pursuant to which GPM Investments agrees to provide certain of its financial information and other information

described therein to the Administrative Agent for distribution to the Lenders on a periodic basis until the Revolving Maturity Date.

“GPM Opco” shall mean GPM Petroleum, LLC, a Delaware limited liability company.

“Guarantor” shall mean any of the Borrower (with respect to Obligations of its Subsidiaries) or any of the Subsidiaries of the Borrower (with respect to Obligations of the Borrower or any other Subsidiary of the Borrower) that are or may from time to time become parties to this Agreement or a separate Guaranty.

“Guaranty” shall mean the guaranty set forth in Article X and any other separate guaranty in form and substance satisfactory to the Administrative Agent delivered by Subsidiary of the Borrower after the Closing Date.

“Guaranty Obligations” shall mean, with respect to any Person, without duplication, any obligations of such Person (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) guaranteeing or intended to guarantee any Indebtedness of any other Person in any manner, whether direct or indirect, and including, without limitation, any obligation, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting security therefor, (b) to advance or provide funds or other support for the payment or purchase of any such Indebtedness or to maintain working capital, solvency or other balance sheet condition of such other Person (including, without limitation, keep well agreements, maintenance agreements, comfort letters or similar agreements or arrangements) for the benefit of any holder of Indebtedness of such other Person, (c) to lease or purchase property, securities or services primarily for the purpose of assuring the holder of such Indebtedness, or (d) to otherwise assure or hold harmless the holder of such Indebtedness against loss in respect thereof. The amount of any Guaranty Obligation hereunder shall (subject to any limitations set forth therein) be deemed to be an amount equal to the outstanding principal amount (or maximum principal amount, if larger) of the Indebtedness in respect of which such Guaranty Obligation is made.

“Hedging Agreements” shall mean, with respect to any Person, any agreement entered into to protect such Person against fluctuations in interest rates, or currency or raw materials values, including, without limitation, any interest rate swap, cap or collar agreement or similar arrangement between such Person and one or more counterparties, any foreign currency exchange agreement, currency protection agreements, commodity purchase or option agreements or other interest or exchange rate hedging agreements and any other agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

“Increase Agreement and Amendment” shall mean that certain Increase Agreement and Amendment, dated as of April 1, 2020, among the Borrower, the Administrative Agent, the Guarantors party thereto and the Lenders party thereto .

“Indebtedness” shall mean, with respect to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, or upon which interest payments are customarily made, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person (other than customary reservations or retentions of

title under agreements with suppliers entered into in the ordinary course of business), (d) all obligations (including, without limitation, earnout obligations but only to the extent such earnout obligations are recorded as liabilities on such Person's balance sheet in accordance with GAAP) of such Person incurred, issued or assumed as the deferred purchase price of property or services purchased by such Person (other than trade debt incurred in the ordinary course of business and not more than 90 days past due unless being contested in good faith and for which adequate reserves have been established in accordance with GAAP) which would appear as liabilities on a balance sheet of such Person, (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on, or payable out of the proceeds of production from, property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (f) all Guaranty Obligations of such Person with respect to Indebtedness of another Person, (g) the principal portion of all Capital Lease Obligations plus any accrued interest thereon, (h) all net obligations of such Person under Hedging Agreements, (i) the maximum amount of all letters of credit issued or bankers' acceptances facilities created for the account of such Person and, without duplication, all drafts drawn thereunder (to the extent unreimbursed), (j) all Equity Interests (other than the Preferred A Units) issued by such Person and which by the terms thereof could be (at the request of the holders thereof or otherwise) subject to mandatory sinking fund payments, redemption or other acceleration for cash on a date prior to the Revolving Maturity Date ("Disqualified Equity"), (k) the principal balance outstanding under any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product plus any accrued interest thereon, (l) all obligations of any partnership or unincorporated joint venture in which such Person is a general partner or a joint venturer unless such obligations are expressly made non-recourse to such Person, in which case, such non-recourse obligations shall be excluded from the definition of Indebtedness; provided that, in the event such obligations are recourse, only the amount of such Person's liability for such obligations shall be included as Indebtedness hereunder, (m) obligations of such Person under non-complete agreements to the extent such obligations are quantifiable contingent obligations of such Person under GAAP principles, and (n) all non-contingent obligations of a Credit Party or any of its Subsidiaries under a Fuel Supply Contract or any other agreement to which such Credit Party or Subsidiary is a party to pay, repay, reimburse or indemnify any counterparty under any such agreement for branding expenses, in each case, resulting from the termination of any such agreement.

"Indemnified Taxes" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee" shall have the meaning set forth in Section 9.5(b).

"Industry Competitor" means, on any date, any Person (other than any Credit Party or any of their respective Subsidiaries) that is actively engaged, directly or indirectly, as one of its principal businesses in the wholesale fuel distribution business and has been designated by the Borrower as an "Industry Competitor" by written notice to the Administrative Agent and the Lenders not less than 15 Business Days prior to such date; provided that the term "Industry Competitor" shall not include any Person that the Borrower has subsequently designated as no longer being an "Industry Competitor" by written notice delivered to the Administrative Agent and the Lenders from time to time.

“Insolvency” shall mean, with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of such term as used in Section 4245 of ERISA.

“Intercompany Debt” shall have the meaning set forth in Section 9.19.

“Interest Determination Date” shall have the meaning specified in the definition of “Applicable Margin.”

“Interest Payment Date” shall mean (a) as to any Alternate Base Rate Loan, the last Business Day of each March, June, September and December, (b) as to any **LIBOR-RateSOFR** Loan having an Interest Period of three months or less, the last day of such Interest Period, (c) as to any **LIBOR-RateSOFR** Loan having an Interest Period longer than three months, (i) each three (3) month anniversary following the first day of such Interest Period and (ii) the last day of such Interest Period, (d) as to any Loan which is the subject of a mandatory prepayment required pursuant to Section 2.6(b), the date on which such mandatory prepayment is due, and (e) as to any Revolving Loan, the Revolving Facility Termination Date.

“Interest Period” shall mean, with respect to any **LIBOR-RateSOFR** Loan,

(a) initially, the period commencing on the Borrowing Date or conversion date, as the case may be, with respect to such **LIBOR-RateSOFR** Loan and ending one, ~~two~~, three or six months thereafter, in each case, subject to availability to all applicable Lenders ~~(or twelve months if each relevant Lender agrees to interest periods that are twelve months (as applicable) in duration)~~, as selected by the Borrower in the Notice of Borrowing or Notice of Conversion given with respect thereto; and

(b) thereafter, each period commencing on the last day of the immediately preceding Interest Period applicable to such **LIBOR-RateSOFR** Loan and ending one, ~~two~~, three or six months thereafter, subject to availability to all applicable Lenders ~~(or twelve months if each relevant Lender agrees to interest periods that are twelve months (as applicable) in duration)~~, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that the foregoing provisions are subject to the following:

(i) if any Interest Period pertaining to a **LIBOR-RateSOFR** Loan would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period pertaining to a **LIBOR-RateSOFR** Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month;

(iii) if the Borrower fails to give notice as provided above, the Borrower shall be deemed to have selected a ~~LIBOR-Rate~~SOFR Loan with an Interest Period of one month to replace the affected ~~LIBOR-Rate~~SOFR Loan;

(iv) no Interest Period in respect of any Revolving Loan shall extend beyond the Revolving Maturity Date; and

(v) no more than six (6) ~~LIBOR-Rate~~SOFR Loans may be in effect at any time. For purposes hereof, ~~LIBOR-Rate~~SOFR Loans with different Interest Periods shall be considered as separate ~~LIBOR-Rate~~SOFR Loans, even if they begin on the same date and have the same duration, although borrowings, extensions and conversions may, in accordance with the provisions hereof, be combined at the end of existing Interest Periods to constitute a new ~~LIBOR-Rate~~SOFR Loan with a single Interest Period.

“Investment” shall mean, for any Person, (a) any acquisition of assets constituting a business unit of, or all or substantially all of the assets of, any other Person, (b) the acquisition of Equity Interests of any other Person, (c) any deposit with, or advance, loan or other capital contribution to, assumption of Indebtedness of, purchase or other acquisition of any other Indebtedness or equity participation or interest in, or other extension of credit to, any other Person (other than deposits made in the ordinary course of business) or (d) any Guaranty Obligation (including any support for a letter of credit issued on behalf of such Person) incurred for the benefit of any other Person. For purposes of calculating covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for certain increases or decreases in the value of such investment. “Investment” shall exclude extensions of trade credit and capital expenditures by any Credit Party in the ordinary course of business.

“IPO” shall mean (a) the issuance of common Equity Interests of the Borrower in an initial primary public offering pursuant to an effective registration statement on Form S-1 filed with the SEC in accordance with the Securities Act or (b) the registration of any common (or equivalent) Equity Interests of the Borrower under Section 12 of the Exchange Act pursuant to the filing of a Form 8-A under the Exchange Act (or any successor forms thereto) in connection with the direct registration of such Equity Interest on a nationally recognized securities exchange in the United States, in each case on terms and conditions and subject to documentation that shall in each case be in form and substance reasonably satisfactory to the Administrative Agent.

“IRS” shall mean the United States Internal Revenue Service.

“issue” shall mean, with respect to any Letter of Credit, to issue or extend the expiry of, or to renew or increase the amount of, or to otherwise amend, such Letter of Credit; and the terms “issued,” “issuing” and “issuance” have corresponding meanings.

“Issuing Lender” shall mean (a) Capital One or (b) such other Lender as designated by the Borrower and approved by the Administrative Agent to issue Letters of Credit hereunder, together with any successor to any such Issuing Lender hereunder.

“Issuing Lender Fees” shall have the meaning set forth in Section 2.4(c).

“Joinder Agreement” shall mean a Joinder Agreement in substantially the form of Exhibit 1.1(b), executed and delivered by a Subsidiary in order to become a Credit Party in accordance with the provisions of Section 5.10.

“Lender” shall mean any of the several banks and other financial institutions as are, or may from time to time become parties to this Agreement, including any Issuing Lender, any Revolving Lender and the Swingline Lender; provided that notwithstanding the foregoing, “Lender” shall not include any Credit Party or any of the Credit Party’s Affiliates or Subsidiaries.

“Letter of Credit” shall mean any standby letter of credit issued by the Issuing Lender pursuant to the terms hereof, as such letter of credit may be amended, modified, restated, extended, renewed, increased, replaced or supplemented from time to time in accordance with the terms of this Agreement.

“Letter of Credit Expiration Date” shall have the meaning set forth in Section 2.2(a).

“Letter of Credit Facing Fee” shall have the meaning set forth in Section 2.4(c).

“Letter of Credit Fee” shall have the meaning set forth in Section 2.4(b).

“LIBOR” shall mean,

~~(a) For any LIBOR Rate Loan, for each Interest Period, the higher of (a) 0.00% per annum, and (b) the offered rate per annum (but not less than 0.00%) for deposits of Dollars for the applicable Interest Period that appears on Reuters Screen LIBOR01 Page (or the applicable successor page) as of 11:00 A.M. (London, England time) two (2) Business Days prior to the first day in such Interest Period. If no such offered rate exists, such rate will be the rate of interest per annum, as determined by the Administrative Agent at which deposits of Dollars in immediately available funds are offered at 11:00 A.M. (London, England time) two (2) Business Days prior to the first day in such Interest Period by major financial institutions reasonably satisfactory to the Administrative Agent in the London interbank market for such Interest Period for the applicable principal amount on such date of determination; and~~

~~(b) For any Alternate Base Rate Loan, the higher of (a) 0.00% per annum, and (b) the offered rate per annum (but not less than 0.00%) for deposits of Dollars for the applicable Interest Period that appears on Reuters Screen LIBOR01 Page (or the applicable successor page) as of 11:00 A.M. (London, England time) on such date of determination. If no such offered rate exists, such rate will be the rate of interest per annum, as determined by the Administrative Agent at which deposits of Dollars in immediately available funds are offered at 11:00 A.M. (London, England time) on such date of determination in such Interest Period by major financial institutions reasonably satisfactory to the Administrative Agent in the London interbank market for such Interest Period for the applicable principal amount on such date of determination.~~

~~“LIBOR Lending Office” shall mean, initially, the office(s) of each Lender designated as such Lender’s LIBOR Lending Office in such Lender’s Administrative Questionnaire; and thereafter, such other office of such Lender as such Lender may from time to time~~

~~specify to the Administrative Agent and the Borrower as the office of such Lender at which the LIBOR Rate Loans of such Lender are to be made.~~

~~“LIBOR Rate” shall mean a rate per annum (rounded upwards, if necessary, to the next higher 1/100th of 1%) determined by the Administrative Agent pursuant to the following formula:~~

$$\text{LIBOR Rate} = \frac{\text{LIBOR}}{1.0 - \text{Eurodollar Reserve Percentage}}$$

~~“LIBOR Rate Loan” shall mean Loans the rate of interest applicable to which is based on the LIBOR Rate.~~

~~“LIBOR Tranche” shall mean the collective reference to LIBOR Rate Loans whose Interest Periods begin and end on the same day.~~

“Lien” shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, (a) any conditional sale or other title retention agreement and any Capital Lease having substantially the same economic effect as any of the foregoing and (b) the filing of, or the agreement to give, any UCC financing statement).

“Liquidity” shall mean the amount (if positive) equal to the sum of (a) the amount of unused Revolving Commitments available to be drawn (including without breaching Section 5.9 on a Pro Forma Basis) by the Borrower under the Revolving Facility in accordance with this Agreement plus (b) unrestricted cash and Cash Equivalents of the Credit Parties and cash and Cash Equivalents in accounts pledged in favor of the Administrative Agent at such time.

“Loan” shall mean a Revolving Loan and/or Swingline Loan, as appropriate.

“LOC Commitment” shall mean the commitment of the Issuing Lender to issue Letters of Credit and with respect to each Revolving Lender, the commitment of such Revolving Lender to purchase Participation Interests in the Letters of Credit up to such Lender’s Revolving Commitment Percentage of the LOC Committed Amount.

“LOC Committed Amount” shall have the meaning set forth in Section 2.2(a).

“LOC Documents” shall mean, with respect to each Letter of Credit, any documents delivered in connection therewith, any application therefor, and any agreements, instruments, guarantees or other documents (whether general in application or applicable only to such Letter of Credit) governing or providing for (a) the rights and obligations of the parties concerned or (b) any collateral for such obligations.

“LOC Obligations” shall mean, at any time, the sum of (a) the maximum amount which is, or at any time thereafter may become, available to be drawn under Letters of Credit then outstanding, assuming compliance with all requirements for drawings referred to in such Letters

of Credit plus (b) without duplication, the aggregate amount of all drawings under Letters of Credit honored by the Issuing Lender but not theretofore reimbursed.

“Mandatory LOC Borrowing” shall have the meaning set forth in Section 2.2(f).

“Mandatory Swingline Borrowing” shall have the meaning set forth in Section 2.3(b)(ii).

“Master Assignment” shall mean that certain Master Reaffirmation and Assignment and Assumption of Notes, Liens, Security Interests and Other Rights, dated as of the date hereof, by and among the Borrower, the other Credit Parties, the Administrative Agent, the Lenders, the lenders party to the Existing Credit Agreement and KeyBank National Association, as administrative agent under the Existing Credit Agreement.

“Material Acquisition” shall mean, any Acquisition (whether in one or more related transactions) to the extent the Consideration payable by any Credit Party or any of its Subsidiaries for such Acquisition exceeds \$15,000,000.

“Material Adverse Effect” shall mean a material adverse effect on (a) the business, operations, property, assets or condition (financial or otherwise) of the Borrower or of the Credit Parties and their Subsidiaries taken as a whole, (b) the ability of the Borrower or of the Credit Parties, taken as a whole, to perform their obligations, when such obligations are required to be performed, under this Agreement, any of the Notes or any other Credit Document or (c) the validity or enforceability of this Agreement, any of the Notes or any of the other Credit Documents, the Administrative Agent’s Liens (for the benefit of the Secured Parties) on the Collateral or the priority of such Liens or the rights or remedies of the Administrative Agent or the Lenders hereunder or thereunder.

“Material Affiliate Contracts” shall have the meaning set forth in Section 6.11(c).

“Material Contracts” shall mean, collectively, the Purchase Agreement, the Omnibus Agreement, the Distribution Contracts and the Fuel Supply Contracts, and each other contract or agreement of a Credit Party (i) relating to fuel distribution which accounts for more than 10% of the aggregate gallons of fuel distributed by all Credit Parties during any 12-month period, or (ii) the breach, cancellation, termination or non-renewal of which could reasonably be expected to have a Material Adverse Effect, each case, as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time as expressly permitted by the terms of this Agreement.

“Material Event” shall mean any event, condition or circumstance that occurs or arises that has or could reasonably be expected to have a Material Adverse Effect.

“Materials of Environmental Concern” shall mean any gasoline or petroleum (including crude oil or any extraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including, without limitation, asbestos, perchlorate, polychlorinated biphenyls and urea-formaldehyde insulation.

“Moody’s” shall mean Moody’s Investors Service, Inc.

“Mortgage Instrument” shall mean any mortgage, deed of trust or deed to secure debt in form and substance satisfactory to the Administrative Agent executed by a Credit Party in favor of the Administrative Agent, for the benefit of the Secured Parties.

“Mortgaged Property” shall mean any owned real property of a Credit Party that is or will become encumbered by a Mortgage Instrument in favor of the Administrative Agent in accordance with the terms of this Agreement.

“Multiemployer Plan” shall mean a Plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Non-Consenting Lender” shall mean any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all or all affected Lenders in accordance with the terms of Section 9.1 and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” shall mean, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-Extension Notice Date” shall have the meaning set forth in Section 2.2(l).

“Note” or “Notes” shall mean the Revolving Loan Notes and/or the Swingline Loan Note, collectively, separately or individually, as appropriate.

“Notice of Borrowing” shall mean a request for a Revolving Loan borrowing pursuant to Section 2.1(b) or a request for a Swingline Loan borrowing pursuant to Section 2.3(b)(i), as appropriate. A Form of Notice of Borrowing is attached as Exhibit 1.1(c).

“Notice of Conversion/Extension” shall mean the written notice of conversion of a ~~LIBOR-Rate~~SOFR Loan to an Alternate Base Rate Loan or an Alternate Base Rate Loan to a ~~LIBOR-Rate~~SOFR Loan, or extension of a ~~LIBOR-Rate~~SOFR Loan, in each case substantially in the form of Exhibit 1.1(d).

“NPL” shall mean the National Priorities List under CERCLA.

“Obligations” shall mean any and all obligations, Indebtedness, indemnities and other liabilities of and amounts owing or to be owing (including interest accruing at any post-default rate and interest accruing after the filing of any proceeding under any Debtor Relief Law, relating to any Credit Party, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) by any Credit Party (whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising): (a) to the Administrative Agent, the Issuing Lender, any trustee or any Lender under any Credit Document; (b) to any Secured Hedging Agreement Counterparty under any Secured Hedging Agreement; (c) to any Treasury Management Counterparty under any Treasury Management Agreement; and (d) all renewals, extensions and/or rearrangements of any of the above; provided, however, that with respect to any particular Credit Party, the secured Obligations owing by such Credit Party, or secured by Liens granted by such Credit Party, shall not include any Excluded Swap Obligations in respect of such Credit Party.

“Omnibus Agreement” shall mean, (i) that certain Omnibus Agreement, dated as of January 12, 2016, by and among the Borrower, the General Partner, and GPM Investments and (ii) at any time on and after the date on which the IPO is completed, any amendment, restatement, amendment and restatement or replacement of the Omnibus Agreement, in form and substance reasonably satisfactory to the Administrative Agent, in each case, as the same may be amended, restated, modified and/or supplemented from time to time to the extent expressly permitted by the terms of this Agreement.

“Operating Lease” shall mean, as applied to any Person, any lease (including, without limitation, leases which may be terminated by the lessee at any time) of any property (whether real, personal or mixed) which is not a Capital Lease other than any such lease in which that Person is the lessor.

“Organization Documents” shall mean, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-United States jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating or limited liability company agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Other Connection Taxes” shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Loan or Credit Document).

“Other Taxes” shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.17).

“Owned Convenience Stores” shall mean the convenience store properties owned by any Credit Party and listed on Schedule 3.16 (as may be supplemented from time to time by the Borrower pursuant to written notice to the Administrative Agent).

“Participant” shall have the meaning assigned to such term in clause (d) of Section 9.6.

“Participant Register” shall have the meaning specified in clause (d) of Section 9.6.

“Participation Interest” shall mean a participation interest purchased by a Revolving Lender in LOC Obligations as provided in Section 2.2(c) and in Swingline Loans as provided in Section 2.3.

“Partnership Agreement” shall mean, the Second Amended and Restated Agreement of Limited Partnership of GPM Petroleum LP, a Delaware limited partnership, dated March 1, 2016, as the same may be amended, restated, modified and/or supplemented from time to time to the extent expressly permitted by the terms of this Agreement and in form and substance reasonably satisfactory to the Administrative Agent.

“Patriot Act” shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 (Title III of Pub. L. No. 107-56 (signed into law October 26, 2001)), as amended or modified from time to time.

“Payment Event of Default” shall mean an Event of Default specified in Section 7.1(a).

“PBGC” shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

“Perfection Certificate” shall have the meaning as set forth in the Security Agreement.

“Periodic Term SOFR Determination Day” shall have the meaning set forth in the definition of “Term SOFR”.

“Permitted Acquisition” shall mean an acquisition or any series of related acquisitions by a Credit Party of (a) all or substantially all of the assets or a majority of the outstanding Voting Stock or economic interests of a Person that is incorporated, formed or organized in the United States, (b) a Person that is incorporated, formed or organized in the United States by a merger, amalgamation or consolidation or any other combination with such Person or (c) any division, line of business or other business unit or other assets of a Person that is incorporated, formed or organized in the United States (such Person or such division, line of business or other business unit of such Person shall be referred to herein as the “Target”), in each case that is a type of business (or assets used in a type of business) permitted to be engaged in by the Credit Parties and their Subsidiaries pursuant to Section 6.3, in each case so long as:

- (i) no Default or Event of Default shall then exist or would exist after giving effect thereto;
- (ii) with respect to any Material Acquisition, prior to the consummation thereof, the Required Lenders shall have consented in writing to such Material Acquisition and approved the purchase agreement and all other material definitive agreements governing such Material Acquisition;
- (iii) the Credit Parties shall demonstrate to the reasonable satisfaction of the Administrative Agent that, after giving effect to the acquisition on a Pro Forma Basis, the Credit Parties are in compliance with each of the financial covenants set forth in Section 5.9;

(iv) the Administrative Agent and the Lenders shall have received (A) a description of the material terms of such acquisition and any other information reasonably requested by the Administrative Agent, (B) in each case, to the extent available, most recently available audited financial statements or management-prepared financial statements of the Target for its two most recent fiscal years and for any fiscal quarters ended within the fiscal year to date, (C) Consolidated projected income statements of the Credit Parties and their Subsidiaries (giving effect to such acquisition), and (D) not less than five (5) Business Days prior to the consummation of any Permitted Acquisition subject to the reporting requirements of (iii) above, a certificate executed by a Responsible Officer of the Borrower certifying that such Permitted Acquisition complies with the requirements of this Agreement and that no Default or Event of Default has occurred and is continuing or would result from such acquisition; and

(v) such acquisition shall not be a “hostile” acquisition and shall have been approved by the Board of Directors (or equivalent) and/or shareholders (or equivalent) of the applicable Credit Party and the Target (to the extent required by their respective Organization Documents or applicable law).

“Permitted Investments” shall have the meaning set forth in Section 6.5.

“Permitted Liens” shall have the meaning set forth in Section 6.2.

“Person” shall mean any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Phase I Reports” shall have the meaning set forth in Section 3.10(d).

“Plan” shall mean, as of any date of determination, any employee benefit plan which is covered by Title IV of ERISA and in respect of which any Credit Party or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“PNC” shall mean PNC Bank, National Association.

“PNC Term Loan” shall mean the term loans made pursuant to the PNC Term Loan Agreement, which PNC Term Loan has an aggregate principal balance outstanding of \$32,415,923.15 as of the date hereof.

“PNC Term Loan Agreement” shall mean that certain Term Loan and Security Agreement, dated as of January 12, 2016, by and between PNC, as lender and agent, and the Borrower, as amended, modified, extended, restated, replaced, or supplemented from time to time.

“PNC Term Loan Documents” shall mean the PNC Term Loan Agreement and all other agreements, instruments and other documents executed or required to be delivered to PNC pursuant to the PNC Term Loan Agreement.

“Prime Rate” shall have the meaning set forth in the definition of “Alternate Base Rate.”

“Preferred A Units” shall mean the “Class A Preferred Units” under and as defined in the Partnership Agreement.

“Pro Forma Basis” shall mean, with respect to any transaction, that such transaction shall be deemed to have occurred as of the first day of the four-quarter period (or twelve month period, as applicable) ending as of the most recent quarter end (or month end, as applicable) preceding the date of such transaction for which financial statement information is available.

“PTE” shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Purchase Agreement” shall mean the Purchase Agreement, dated as of January 11, 2016, among GPM Investments, WOC Southeast Holding Corp., the General Partner, the Borrower, Oppenheimer Steelpath MLP Select 40 Fund and Oppenheimer Steelpath MLP Income Fund.

“Qualified ECP Guarantor” shall mean, in respect of any Swap Obligation, each Guarantor that has total assets exceeding \$10,000,000 at the time such Swap Obligation is incurred or such other person as constitutes an ECP under the Commodity Exchange Act or any regulations promulgated thereunder.

“QFC” shall have the meaning set forth in Section 9.28(b).

“QFC Credit Support” shall have the meaning set forth in Section 9.28.

“Recipient” shall mean (a) the Administrative Agent, (b) any Lender and (c) any Issuing Lender, as applicable.

“Register” shall have the meaning set forth in Section 9.6(c).

“Reimbursement Obligation” shall mean the obligation of the Borrower, or any other Credit Party, as the case may be, to reimburse the Issuing Lender pursuant to Section 2.2(d) for amounts drawn under Letters of Credit.

“Related Parties” shall mean, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person’s Affiliates.

“Relevant Governmental Body” shall mean the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Reorganization” shall mean, with respect to any Multiemployer Plan, the condition that such Plan is in reorganization within the meaning of such term as used in Section 4241 of ERISA.

“Reportable Event” shall mean any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty-day notice period is waived under PBGC Reg. §4043.

“Required Lenders” shall mean, as of any date of determination, Lenders holding more than 50% of the sum of (i) Revolving Credit Exposures and (ii) unused Revolving Commitments at such time; provided, however, that if any Lender shall be a Defaulting Lender at such time, then there shall be excluded from the determination of Required Lenders, Obligations (including Participation Interests) owing to such Defaulting Lender and such Defaulting Lender’s Commitments.

“Required Lender Notice Date” shall mean the date on which the Administrative Agent delivers to the Borrower a notice, at the direction of the Required Lenders, that the Required Lender Notice Date is in effect.

“Requirement of Law” shall mean, as to any Person, (a) its Organization Documents, and (b) all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, executive orders, and administrative or judicial precedents or authorities of any Governmental Authority, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority; in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Resolution Authority” shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” shall mean, the chief executive officer, president, executive vice president, chief financial officer, treasurer, controller or manager of a Credit Party, or in the case of any Credit Party which is a partnership, shall also mean the chief executive officer, president, executive vice president, chief financial officer, treasurer, controller or manager of the general partner of such Credit Party. Any document delivered hereunder that is signed by a Responsible Officer of a Credit Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Credit Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Credit Party.

“Restricted Payment” shall mean (a) any dividend or other distribution, direct or indirect, on account of any shares (or equivalent) of any class of Equity Interests of any Credit Party or any of its Subsidiaries, now or hereafter outstanding, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares (or equivalent) of any class of Equity Interests of any Credit Party or any of its Subsidiaries, now or hereafter outstanding, or (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Equity Interests of any Credit Party or any of its Subsidiaries, now or hereafter outstanding.

“Revolving Commitment” shall mean, with respect to each Revolving Lender, the commitment of such Revolving Lender to make Revolving Loans in an aggregate principal amount at any time outstanding up to an amount equal to such Revolving Lender’s Revolving Commitment

Percentage of the Revolving Committed Amount as specified on Schedule 1.1 (as may be modified pursuant to Section 2.20).

“Revolving Commitment Percentage” shall mean, for each Lender, the percentage identified as its Revolving Commitment Percentage on Schedule 1.1 or in the Assignment and Assumption pursuant to which such Lender became a Lender hereunder or in the joinder agreement or amendment contemplated in Section 2.20, as such percentage may be modified in connection with any assignment made in accordance with the provisions of Section 9.6(b).

“Revolving Committed Amount” shall have the meaning set forth in Section 2.1(a).

“Revolving Credit Exposure” shall mean, as to any Revolving Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Revolving Lender’s participation in LOC Obligations and Swingline Loans at such time.

“Revolving Facility” shall have the meaning set forth in Section 2.1(a).

“Revolving Facility Termination Date” shall mean the earlier of the Revolving Maturity Date and the date on which the Revolving Commitments have been terminated pursuant to Section 7.2.

“Revolving Lender” shall mean, as of any date of determination, a Lender holding a Revolving Commitment, a Revolving Loan or a Participation Interest on such date.

“Revolving Loan” shall have the meaning set forth in Section 2.1(a).

“Revolving Loan Note” or “Revolving Loan Notes” shall mean the promissory notes of the Borrower provided pursuant to Section 2.1(e) in favor of any of the Revolving Lenders evidencing the Revolving Loan provided by any such Revolving Lender pursuant to Section 2.1(a), individually or collectively, as appropriate, as such promissory notes may be amended, modified, extended, restated, replaced, or supplemented from time to time.

“Revolving Maturity Date” shall mean July 15, 2024; provided, further, that if any such date is not a Business Day, the Revolving Maturity Date shall be the next preceding Business Day.

“S&P” shall mean Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc.

“Sarbanes-Oxley” shall mean the Sarbanes-Oxley Act of 2002.

“SEC” shall mean the Securities and Exchange Commission or any successor Governmental Authority.

“Secured Hedging Agreement” shall mean any Hedging Agreement of any Credit Party with a Secured Hedging Agreement Counterparty.

“Secured Hedging Agreement Counterparty” shall mean a Lender or an Affiliate of a Lender (or a Person who was a Lender or an Affiliate of a Lender at the time of execution of a Hedging Agreement) who has entered into a Hedging Agreement with any of the Credit Parties.

“Secured Parties” shall mean the Administrative Agent, each Issuing Lender, each Swingline Lender, each other Lender, the Secured Hedging Agreement Counterparties and the Treasury Management Counterparties.

“Securities Account Control Agreement” shall mean an agreement, among a Credit Party, a securities intermediary, and the Administrative Agent, which agreement is in a form acceptable to the Administrative Agent and which provides the Administrative Agent with “control” (as such term is used in Articles 8 and 9 of the UCC) over the securities account(s) described therein.

“Securities Act” shall mean the Securities Act of 1933, together with any amendment thereto or replacement thereof and any rules or regulations promulgated thereunder.

“Securities Laws” shall mean the Securities Act, the Exchange Act, Sarbanes-Oxley and the applicable accounting and auditing principles, rules, standards and practices promulgated, approved or incorporated by the SEC or the Public Company Accounting Oversight Board, as each of the foregoing may be amended and in effect on any applicable date hereunder.

“Security Agreement” shall mean the Amended and Restated Pledge and Security Agreement, in form and substance satisfactory to the Administrative Agent, dated as of the Closing Date, and executed by the Credit Parties in favor of the Administrative Agent, for the benefit of certain Secured Parties.

“Security Documents” shall mean the Security Agreement, the Master Assignment, any Deposit Account Control Agreement, any Securities Account Control Agreement, the Mortgage Instruments, each Perfection Certificate, all other agreements, documents and instruments granting to the Administrative Agent, for the benefit of the Secured Parties, Liens or security interests to secure the Obligations whether now or hereafter executed and/or filed, and all other agreements, documents and instruments executed and/or delivered or filed in connection with the granting, attachment and perfection of the Administrative Agent’s security interests and Liens arising thereunder, including, without limitation, UCC financing statements.

“Single Employer Plan” shall mean any Plan that is not a Multiemployer Plan.

~~“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website.~~

“SOFR” shall mean a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” shall mean the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SOFR Loan” shall mean a Loan that bears interest based on Term SOFR.

“Specified Acquisition” shall mean the acquisition and transactions contemplated by the Specified Asset Purchase Agreement.

“Specified Acquisition Closing Date” shall mean the “Specified Acquisition Closing Date” as defined in the Increase Agreement and Amendment.

“Specified Asset Purchase Agreement” shall mean that certain Asset Purchase Agreement, dated as of December 17, 2019, by and among GPM Southeast LLC, GPM Petroleum, LLC, Empire Petroleum Partners, LLC and the other parties party thereto.

“Specified Default” shall mean an Event of Default under Section 7.1(a), Section 7.1(c) by virtue of a violation of Section 5.9 or Section 7.1(e).

“Subordinated Debt” shall mean any Indebtedness incurred by any Credit Party which by its terms is specifically subordinated in right of payment to the prior payment of the Obligations and contains subordination and other terms acceptable to the Administrative Agent.

“Subsidiary” shall mean, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, limited liability company, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Supported QFC” shall have the meaning set forth in Section 9.28.

“Swap Obligations” shall mean, with respect to any Guarantor, an obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

“Swingline Commitment” shall mean the commitment of the Swingline Lender to make Swingline Loans in an aggregate principal amount at any time outstanding up to the Swingline Committed Amount, and the commitment of the Revolving Lenders to purchase Participation Interests in the Swingline Loans as provided in Section 2.3(b)(ii), as such amounts may be reduced from time to time in accordance with the provisions hereof

“Swingline Committed Amount” shall mean the amount of the Swingline Lender’s Swingline Commitment as specified in Section 2.3(a).

“Swingline Lender” shall mean Capital One and any successor swingline lender.

“Swingline Loan” shall have the meaning set forth in Section 2.3(a).

“Swingline Loan Note” shall mean the promissory note of the Borrower in favor of the Swingline Lender evidencing the Swingline Loans provided pursuant to Section 2.3(d), as such promissory note may be amended, modified, extended, restated, replaced, or supplemented from time to time.

“Target” shall have the meaning set forth in the definition of “Permitted Acquisition.”

“Taxes” shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR” shall mean,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to an Alternate Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate SOFR Determination Day.

“Term SOFR Adjustment” shall mean, for any calculation of the applicable interest rate for an Alternate Base Rate Loan or SOFR Loan, a percentage per annum equal to (a) ten (10) basis points with respect to any calculation for a one-month Interest Period, (b) fifteen (15) basis points with respect to any calculation for a three-month Interest Period and (c) twenty-five (25) basis points with respect to any calculation for a six-month Interest Period.

“Term SOFR Administrator” shall mean the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Reference Rate” shall mean the rate per annum determined by the Administrative Agent as the forward-looking term rate based on SOFR ~~that has been selected or recommended by the Relevant Governmental Body.~~

“Trade Date” shall have the meaning set forth in Section 9.6(f).

“Tranche” shall mean the collective reference to (a) ~~LIBOR Rate~~SOFR Loans whose Interest Periods begin and end on the same day and (b) Alternate Base Rate Loans made on the same day.

“Transactions” shall mean the execution, delivery and performance by each Credit Party of this Agreement and each other Credit Document to which it is a party, the refinancing of the Existing Credit Agreement, the borrowing of Loans, the use of the proceeds thereof, the issuance of Letters of Credit hereunder, and the grant of Liens by each Credit Party on Collateral pursuant to the Security Documents to which it is a party, and the amendment and restatement of this Agreement.

“Treasury Management Agreement” shall mean any agreement governing the provision of (a) commercial credit cards, (b) stored value cards, or (c) treasury or cash management services, including deposit accounts, funds transfers, automated clearinghouse services, auto-borrow services, zero balance accounts, returned check concentration, controlled disbursement services, lockboxes, account reconciliation and reporting services, trade finance services, overdraft protection, and interstate depository network services.

“Treasury Management Counterparty” shall mean each Lender or Affiliate of a Lender that enters into a Treasury Management Agreement with a Credit Party; provided that if such Person at any time ceases to be a Lender or an Affiliate of a Lender, as the case may be, such Person shall no longer be a Treasury Management Counterparty.

“UCC” shall mean the Uniform Commercial Code from time to time in effect in any applicable jurisdiction.

“UK Financial Institution” shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook

(as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” shall mean the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“U.S. Government Securities Business Day” shall mean any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” shall mean any Person that is a “United States Person” as defined in section 7701(a)(30) of the Code.

“U.S. Special Resolution Regimes” shall have the meaning set forth in Section 9.28.

“U.S. Tax Compliance Certificate” shall have the meaning assigned to such term in paragraph (g) of Section 2.15.

“Voting Stock” shall mean, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote may be or have been suspended by the happening of such a contingency.

“Withholding Agent” shall mean any Credit Party and the Administrative Agent.

“Write-Down and Conversion Powers” shall mean, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.2Types of Loans. For purposes of this Agreement, Loans may be classified and referred to by type (e.g., a “LIBOR RateSOFR Loan” or a “Alternate Base Rate Loan”).

Section 1.3Other Definitional Provisions. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words

“include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented, amended and restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s permitted successors and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (g) all terms defined in this Agreement shall have the defined meanings when used in any other Credit Document or any certificate or other document made or delivered pursuant hereto.

Section 1.4 Accounting Terms; GAAP.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the most recently delivered audited Consolidated financial statements of the Borrower, except as otherwise specifically prescribed herein.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Credit Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) Notwithstanding anything to the contrary contained herein or in any other Credit Document, for all purposes hereunder and under any other Credit Document, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made without giving effect to (i) any change to GAAP as a result of the adoption of Accounting Standards Codification Topic 842, or any other proposals issued by the Financial Accounting Standards Board in connection therewith, in each case if such change would require treating any lease (or similar arrangement conveying the right to use) as an

operating lease liability where such lease (or such similar arrangement) was not required to be so treated under GAAP as in effect on December 31, 2015, (ii) any election under Accounting Standards Codification 825-10 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other Liabilities of any Credit Party or any Subsidiary of any Credit Party at "fair value" and (iii) any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

Section 1.5 Time References. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 1.6 Execution of Documents. Unless otherwise specified, all Credit Documents and all other certificates executed in connection therewith must be signed by a Responsible Officer.

Section 1.7 Divisions. For all purposes under the Credit Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.8 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any LOC Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

Section 1.9 Interest Rates. The Administrative Agent and its Affiliates and their respective officers, directors, agents and employees

(a) shall not be responsible to any Secured Party, the Borrower, any other Credit Party or any other Person, or have any liability for, any incorrect or inaccurate determination of Term SOFR or the Alternate Base Rate for any purpose under any Credit Document; and

(b): The Administrative Agent does do not warrant, nor or accept responsibility for, nor and shall the Administrative Agent not have any liability with respect to (i) the continuation of, administration of, submission of, calculation of or any other matter related to the Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition of "LIBOR" or with respect to any comparable or thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including, without limitation, whether

the composition or characteristics of any such alternative, successor or replacement ~~reference rate, as it may or may not be adjusted pursuant to Section 2.12, (including any Benchmark Replacement)~~ will be similar to, or produce the same value or economic equivalence of, ~~the LIBOR Rate~~ or have the same volume or liquidity as ~~did the London interbank offered rate~~, Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of Alternate Base Rate, the Term SOFR Reference Rate, Term SOFR, Adjusted Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain Alternate Base Rate, the Term SOFR Reference Rate, Term SOFR, Adjusted Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

THE LOANS; AMOUNT AND TERMS

Section 2.1 Revolving Loans.

(a) Revolving Commitment. During the Commitment Period, subject to the terms and conditions hereof, the Revolving Lenders severally, but not jointly, agree to make revolving credit loans in Dollars (“Revolving Loans”) to the Borrower from time to time in an aggregate principal amount of up to \$300,000,000 (as increased from time to time as provided in Section 2.20(a) and as such aggregate maximum amount may be reduced from time to time as provided in Section 2.5, the “Revolving Committed Amount”) for the purposes hereinafter set forth (such facility, the “Revolving Facility”); provided, however, that (i) with regard to each Revolving Lender individually, the sum of such Revolving Lender’s Revolving Commitment Percentage of the aggregate principal amount of outstanding Revolving Loans plus such Revolving Lender’s Revolving Commitment Percentage of outstanding Swingline Loans plus such Revolving Lender’s Revolving Commitment Percentage of outstanding LOC Obligations shall not exceed such Revolving Lender’s Revolving Commitment and (ii) with regard to the Revolving Lenders collectively, the sum of the aggregate principal amount of outstanding Revolving Loans plus outstanding Swingline Loans plus outstanding LOC Obligations shall not exceed the Revolving Committed Amount then in effect. Revolving Loans may consist of Alternate Base Rate Loans or ~~LIBOR Rate~~SOFR Loans, or a combination thereof, as the Borrower may request, and may be repaid and reborrowed in accordance with the provisions hereof. ~~LIBOR~~SOFR Loans and Alternate Base Rate Loans shall be made by each Revolving Lender at its ~~LIBOR Lending Office and Alternate Base Rate Loans at its~~ Domestic Lending Office.

(b)Revolving Loan Borrowings.

(i)Notice of Borrowing. The Borrower shall request a Revolving Loan borrowing by delivering a written Notice of Borrowing (or telephone notice promptly confirmed in writing by delivery of a written Notice of Borrowing, which delivery may be by fax) to the Administrative Agent not later than 11:00 A.M. on the proposed date of the requested borrowing in the case of Alternate Base Rate Loans, and on the third (3rd) Business Day prior to the date of the requested borrowing in the case of ~~LIBOR Rate~~SOFR Loans. Each such Notice of Borrowing shall be irrevocable and shall specify (A) that a Revolving Loan is requested, (B) the date of the requested borrowing (which shall be a Business Day), (C) the aggregate principal amount to be borrowed, and (D) whether the borrowing shall be comprised of Alternate Base Rate Loans, ~~LIBOR Rate~~SOFR Loans or a combination thereof, and if ~~LIBOR Rate~~SOFR Loans are requested, the Interest Period(s) therefor. If the Borrower shall fail to specify in any such Notice of Borrowing (1) an applicable Interest Period in the case of a ~~LIBOR Rate~~SOFR Loan, then such notice shall be deemed to be a request for an Interest Period of one month, or (2) the type of Revolving Loan requested, then such notice shall be deemed to be a request for a ~~LIBOR Rate~~SOFR Loan for an Interest Period of one month. The Administrative Agent shall give notice to each Revolving Lender promptly upon receipt of each Notice of Borrowing, the contents thereof and each such Revolving Lender's share thereof.

(ii)Minimum Amounts. Each Revolving Loan that is made as an Alternate Base Rate Loan shall be in a minimum aggregate amount of \$1,000,000 and in integral multiples of \$100,000 in excess thereof (or the remaining amount of the Revolving Committed Amount, if less). Each Revolving Loan that is made as a ~~LIBOR Rate~~SOFR Loan shall be in a minimum aggregate amount of \$1,000,000 and in integral multiples of \$100,000 in excess thereof (or the remaining amount of the Revolving Committed Amount, if less).

(iii)Advances. Each Revolving Lender will make its Revolving Commitment Percentage of each Revolving Loan borrowing available to the Administrative Agent for the account of the Borrower at the office of the Administrative Agent specified in Section 9.2, or at such other office as the Administrative Agent may designate in writing, by 2:00 P.M. on the date specified in the applicable Notice of Borrowing, in Dollars and in funds immediately available to the Administrative Agent. Such borrowing will then be made available to the Borrower by the Administrative Agent by crediting the account of the Borrower on the books of such office (or such other account that the Borrower may designate in writing to the Administrative Agent) with the aggregate of the amounts made available to the Administrative Agent by the Revolving Lenders and in like funds as received by the Administrative Agent.

(c)Repayment. Subject to the terms of this Agreement, Revolving Loans may be borrowed, repaid and reborrowed during the Commitment Period, subject to Section 2.6(a).

The principal amount of all Revolving Loans shall be due and payable in full on the Revolving Facility Termination Date, unless accelerated sooner pursuant to Section 7.2.

(d)Interest. Subject to the provisions of Section 2.7, Revolving Loans shall bear interest as follows:

(i)Alternate Base Rate Loans. During such periods as any Revolving Loans shall be comprised of Alternate Base Rate Loans, each such Alternate Base Rate Loan shall bear interest at a per annum rate equal to the sum of the Alternate Base Rate plus the Applicable Margin; and

(ii)LIBOR RateSOFR Loans. During such periods as Revolving Loans shall be comprised of LIBOR RateSOFR Loans, each such LIBOR RateSOFR Loan shall bear interest at a per annum rate equal to the sum of the LIBOR RateAdjusted Term SOFR plus the Applicable Margin.

Interest on Revolving Loans shall be payable in arrears on each Interest Payment Date.

(e)Revolving Loan Notes; Covenant to Pay. The Borrower's obligation to pay each Revolving Lender shall be evidenced by this Agreement and, upon such Revolving Lender's request, by a duly executed promissory note of the Borrower to such Revolving Lender substantially in the form of Exhibit 2.1(e). The Borrower covenants and agrees to pay the Revolving Loans in accordance with the terms of this Agreement.

Section 2.2Letter of Credit Subfacility.

(a)Issuance. Subject to the terms and conditions hereof and of the LOC Documents, during the Commitment Period the Issuing Lender shall issue, and the Revolving Lenders shall participate in, standby Letters of Credit for the account of the Borrower from time to time upon request in a form acceptable to the Issuing Lender; provided, however, that (i) the aggregate amount of LOC Obligations shall not at any time exceed ~~\$10,000,000~~ 40,000,000 (the "LOC Committed Amount"), (ii) the sum of the aggregate principal amount of outstanding Revolving Loans plus outstanding Swingline Loans plus outstanding LOC Obligations shall not at any time exceed the Revolving Committed Amount then in effect, (iii) all Letters of Credit shall be denominated in Dollars and (iv) Letters of Credit shall be issued for any lawful business purposes and shall be issued as standby letters of credit, including in connection with workers' compensation and other insurance programs. Except as expressly agreed in writing upon by all the Revolving Lenders, no Letter of Credit shall have an original expiry date more than twelve (12) months from the date of issuance; provided, however, so long as no Default or Event of Default has occurred and is continuing and subject to the other terms and conditions to the issuance of Letters of Credit hereunder, the expiry dates of Letters of Credit may be extended periodically from time to time on the request of the Borrower or annually in accordance with Section 2.2(l); provided, further, that no Letter of Credit, as originally issued or as extended, shall have an expiry date extending beyond the date that is seven (7) days prior to the Revolving Maturity Date (the "Letter of Credit Expiration Date"). Each Letter of Credit shall comply with the related LOC Documents. The issuance and expiry date of each Letter of Credit shall be a Business Day. Each Letter of Credit issued hereunder shall be in a minimum original face amount of \$50,000 or such

lesser amount as approved by the Issuing Lender. No Letter of Credit shall be issued if it would be in contravention of any applicable law or the standard policies and practices and of the Issuing Lender applicable to all applicants.

(b)Notice and Reports. The request for the issuance of a Letter of Credit shall be submitted to the Issuing Lender at least five (5) Business Days prior to the requested date of issuance, along with a duly executed copy of the Issuing Lender's standard form of application and agreement for letters of credit. The Issuing Lender will promptly upon request provide to the Administrative Agent for dissemination to the Revolving Lenders a detailed report specifying the Letters of Credit which are then issued and outstanding and any activity with respect thereto which may have occurred since the date of any prior report, and including therein, among other things, the account party, the beneficiary, the face amount, expiry date as well as any payments or expirations which may have occurred. The Issuing Lender will further provide to the Administrative Agent promptly upon request copies of the Letters of Credit. The Issuing Lender will provide to the Administrative Agent promptly upon request a summary report of the nature and extent of LOC Obligations then outstanding.

(c)Participations. Each Revolving Lender, upon issuance of a Letter of Credit, shall be deemed to have purchased without recourse a risk participation from the Issuing Lender in such Letter of Credit and the obligations arising thereunder and any Collateral relating thereto, in each case in an amount equal to its Revolving Commitment Percentage of the obligations under such Letter of Credit and shall absolutely, unconditionally and irrevocably assume, as primary obligor and not as surety, and be obligated to pay to the Issuing Lender therefor and discharge when due, its Revolving Commitment Percentage of the obligations arising under such Letter of Credit; provided that any Person that becomes a Revolving Lender after the Closing Date shall be deemed to have purchased a Participation Interest in all outstanding Letters of Credit on the date it becomes a Lender hereunder and any Letter of Credit issued on or after such date, in each case in accordance with the foregoing terms. Without limiting the scope and nature of each Revolving Lender's participation in any Letter of Credit, to the extent that the Issuing Lender has not been reimbursed as required hereunder or under any LOC Document, each such Revolving Lender shall pay to the Issuing Lender its Revolving Commitment Percentage of such unreimbursed drawing in same day funds pursuant to and in accordance with the provisions of subsection (d) hereof. The obligation of each Revolving Lender to so reimburse the Issuing Lender shall be absolute and unconditional and shall not be affected by the occurrence of a Default, an Event of Default or any other occurrence or event, including those set forth in Section 2.2(e). Any such reimbursement shall not relieve or otherwise impair the obligation of the Borrower to reimburse the Issuing Lender under any Letter of Credit, together with interest as hereinafter provided.

(d)Reimbursement. In the event of any drawing under any Letter of Credit, the Issuing Lender will promptly notify the Borrower and the Administrative Agent. The Borrower shall reimburse the Issuing Lender on the day of drawing under any Letter of Credit if notified prior to 1:00 P.M. on a Business Day or, if after 1:00 P.M., on the following Business Day (either with the proceeds of a Revolving Loan obtained hereunder or otherwise) in same day funds as provided herein or in the LOC Documents. If the Borrower fails to reimburse the Issuing Lender as provided herein, the unreimbursed amount of such drawing shall automatically bear interest at a per annum rate equal to the Default Rate. Unless the Borrower immediately notifies the Issuing Lender and the Administrative Agent of its intent to otherwise reimburse the Issuing Lender, the

Borrower shall be deemed to have requested a Mandatory LOC Borrowing in the amount of the drawing as provided in subsection (e) hereof, the proceeds of which will be used to satisfy the Reimbursement Obligations. The Borrower's Reimbursement Obligations hereunder shall be absolute and unconditional under all circumstances irrespective of any rights of set-off, counterclaim or defense to payment the Borrower may claim or have against the Issuing Lender, the Administrative Agent, the Lenders, the beneficiary of the Letter of Credit drawn upon or any other Person, including, without limitation, any defense based on any failure of the Borrower to receive consideration or the legality, validity, regularity or unenforceability of the Letter of Credit. The Administrative Agent will promptly notify the other Revolving Lenders of the amount of any unreimbursed drawing and each Revolving Lender shall promptly pay to the Administrative Agent for the account of the Issuing Lender, in Dollars and in immediately available funds, the amount of such Revolving Lender's Revolving Commitment Percentage of such unreimbursed drawing. Such payment shall be made on the Business Day such notice is received by such Revolving Lender from the Administrative Agent if such notice is received at or before 2:00 P.M., otherwise such payment shall be made at or before 12:00 P.M. on the Business Day next succeeding the Business Day such notice is received. If such Revolving Lender does not pay such amount to the Administrative Agent for the account of the Issuing Lender in full upon such request, such Revolving Lender shall, on demand, pay to the Administrative Agent for the account of the Issuing Lender interest on the unpaid amount during the period from the date of such drawing until such Revolving Lender pays such amount to the Administrative Agent for the account of the Issuing Lender in full at a rate per annum equal to, if paid within two (2) Business Days of the date of drawing, the Federal Funds Effective Rate and thereafter at a rate equal to the Alternate Base Rate. Each Revolving Lender's obligation to make such payment to the Issuing Lender, and the right of the Issuing Lender to receive the same, shall be absolute and unconditional, shall not be affected by any circumstance whatsoever and without regard to the termination of this Agreement or the Commitments hereunder, the existence of a Default or Event of Default or the acceleration of the Obligations hereunder and shall be made without any offset, abatement, withholding or reduction whatsoever.

(e)Obligations Absolute, Etc. The Borrower's obligation to reimburse the Issuing Lender for amounts paid on account of drafts honored under Letters of Credit shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (1) any lack of validity or enforceability of this Agreement or any other Credit Document, any Letter of Credit, any LOC Document, or any term or provision therein, (2) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit, any Issuing Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction, (3) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (4) payment by the Issuing Lender under a Letter of Credit issued by the Issuing Lender against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or any LOC Document, or any payment made by any Issuing Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, or any loss or delay in the

transmission or otherwise of any document required in order to make a drawing under such Letter of Credit, or (5) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this subsection (e), constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Lender, nor any of their Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Lender; provided that the foregoing shall not be construed to excuse the Issuing Lender from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the Issuing Lender's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Lender (as finally determined by a court of competent jurisdiction), such Issuing Lender shall be deemed to have exercised all requisite care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Lender that issued such Letter of Credit may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit. The Borrower hereby waives presentment for payment (except the presentment required by the terms of any Letter of Credit) and notice of dishonor, protest and notice of protest with respect to drafts honored under the Letters of Credit.

(f)Repayment with Revolving Loans. On any day the Borrower requests, or is deemed to have requested, a Revolving Loan to reimburse a drawing under a Letter of Credit, the Administrative Agent shall give notice to the Revolving Lenders that a Revolving Loan has been requested or deemed requested in connection with a drawing under a Letter of Credit, in which case a Revolving Loan borrowing comprised entirely of Alternate Base Rate Loans (each such borrowing, a "Mandatory LOC Borrowing") shall be made (without giving effect to any termination of the Commitments pursuant to Section 7.2) pro rata based on each Revolving Lender's respective Revolving Commitment Percentage (determined before giving effect to any termination of the Commitments pursuant to Section 7.2) and the proceeds thereof shall be paid directly to the Administrative Agent for the account of the Issuing Lender for application to the respective LOC Obligations. Each Revolving Lender hereby irrevocably agrees to make such Revolving Loans on the day such notice is received by the Revolving Lenders from the Administrative Agent if such notice is received at or before 2:00 P.M., otherwise such payment shall be made at or before 12:00 P.M. on the Business Day next succeeding the day such notice is received, in each case notwithstanding (i) the amount of Mandatory LOC Borrowing may not comply with the minimum amount for borrowings of Revolving Loans otherwise required hereunder, (ii) whether any conditions specified in Section 4.2 are then satisfied, (iii) whether a

Default or an Event of Default then exists, (iv) failure for any such request or deemed request for Revolving Loan to be made by the time otherwise required in Section 2.1(b), (v) the date of such Mandatory LOC Borrowing, or (vi) any reduction in the Revolving Committed Amount after any such Letter of Credit may have been drawn upon. In the event that any Mandatory LOC Borrowing cannot for any reason be made on the date otherwise required above (including, without limitation, as a result of the occurrence of a Bankruptcy Event), then each such Revolving Lender hereby agrees that it shall forthwith fund its Participation Interests in the outstanding LOC Obligations on the Business Day such notice to fund is received by such Revolving Lender from the Administrative Agent if such notice is received at or before 2:00 P.M., otherwise such payment shall be made at or before 12:00 P.M. on the Business Day next succeeding the Business Day such notice is received; provided, further, that in the event any Lender fails to fund its Participation Interest as required herein, then the amount of such Revolving Lender's unfunded Participation Interest therein shall automatically bear interest payable by such Revolving Lender to the Administrative Agent for the account of the Issuing Lender upon demand, at the rate equal to, if paid within two (2) Business Days of such date, the Federal Funds Effective Rate, and thereafter at a rate equal to the Alternate Base Rate.

(g)Modification, Extension. The issuance of any supplement, modification, amendment, renewal, or extension to any Letter of Credit shall, for purposes hereof, be treated in all respects the same as the issuance of a new Letter of Credit hereunder.

(h)ISP98 and UCP. Unless otherwise expressly agreed by the Issuing Lender and the Borrower or other account party, when a Letter of Credit is issued, (i) the rules of the "International Standby Practices 1998," published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance) shall apply to each standby Letter of Credit, and (ii) the rules of The Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each documentary Letter of Credit.

(i)Conflict with LOC Documents. In the event of any conflict between this Agreement and any LOC Document, this Agreement shall control.

(j)Designation of Subsidiaries as Account Parties. Notwithstanding anything to the contrary set forth in this Agreement, including, without limitation, Section 2.2(a), if a Letter of Credit is in support of any obligations of, or is for the account of a Credit Party or a Subsidiary of the Borrower, the Borrower shall be obligated to reimburse each Issuing Lender hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Credit Parties or its other Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Credit Parties or other Subsidiaries.

(k)Cash Collateral. At any point in time in which there is a Defaulting Lender, or as of the Letter of Credit Expiration Date, any LOC Obligations for any reason remain outstanding, the Issuing Lender may require the Borrower to Cash Collateralize the LOC Obligations pursuant to Section 2.18.

(l)Auto-Extension Letter of Credit. At the request of the Borrower in any notice delivered pursuant to Section 2.2(b), the Issuing Lender may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “Auto-Extension Letter of Credit”); provided that any such Auto-Extension Letter of Credit must permit the Issuing Lender to prevent any such extension at least once in each twelve-month period (commencing with the date of the issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the “Non-Extension Notice Date”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Issuing Lender, the Borrower shall not be required to make a specific request to the Issuing Lender for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the Issuing Lender to permit the extension of such Letter of Credit at any time; provided, however, that the Issuing Lender shall not permit any such extension if (A) the Issuing Lender has determined that it would not be permitted, or would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.2(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Lender or the Borrower that one or more of the applicable conditions specified in Section 4.2 is not then satisfied, and in each such case directing the Issuing Lender not to permit such extension.

Section 2.3 Swingline Loan Subfacility.

(a)Swingline Commitment. During the Commitment Period, subject to the terms and conditions hereof, the Swingline Lender, in its individual capacity, may, in its discretion and in reliance upon the agreements of the other Lenders set forth in this Section, make certain revolving credit loans to the Borrower (each a “Swingline Loan” and, collectively, the “Swingline Loans”) for the purposes hereinafter set forth; provided, however, (i) the aggregate principal amount of Swingline Loans outstanding at any time shall not exceed \$15,000,000 (the “Swingline Committed Amount”), and (ii) the sum of the aggregate principal amount of outstanding Revolving Loans plus outstanding Swingline Loans plus outstanding LOC Obligations shall not exceed the Revolving Committed Amount then in effect. Swingline Loans hereunder may be repaid and reborrowed in accordance with the provisions hereof.

(b)Swingline Loan Borrowings.

(i)Notice of Borrowing and Disbursement. To request a Swingline Loan, the Borrower shall notify the Administrative Agent and Swingline Lender by telephone (and shall subsequently confirm and deliver, by hand delivery, facsimile or (subject to compliance with below) e-mail, a duly completed and executed Notice of Borrowing to the Administrative Agent and the Swingline Lender), not later than 1:00 P.M. on the day of a proposed Swingline Loan. Each such notice shall be irrevocable and shall specify the requested date (which shall be a Business Day) and the amount of the requested Swingline Loan. The Swingline Lender shall make each Swingline Loan available to the Borrower by means of a credit to the general deposit account of Borrower with the Swingline Lender or otherwise to an

account as directed by Borrower in the applicable Notice of Borrowing by 3:00 p.m. on the requested date of such Swingline Loan. The Borrower shall not request a Swingline Loan if at the time of or immediately after giving effect to such request a Default has occurred and is continuing or would result therefrom. Swingline Loans shall be made in minimum amounts of \$100,000, shall bear interest at the Alternate Base Rate plus the Applicable Margin and shall be payable in full by the Borrower upon demand of the Swingline Lender. Swingline Loan borrowings hereunder shall be made in minimum amounts of \$100,000 (or the remaining available amount of the Swingline Committed Amount if less) and in integral amounts of \$100,000 in excess thereof.

(ii) Repayment of Swingline Loans. Each Swingline Loan borrowing shall be due and payable on the Revolving Maturity Date. The Swingline Lender may, at any time, in its sole discretion, repay outstanding Swingline Loans by debiting any deposit account maintained by the Borrower or any other Credit Party with the Swingline Lender (to the extent of any funds available in such account at the time) or, by written notice to the Borrower and the Administrative Agent, demand repayment of its Swingline Loans by way of a Revolving Loan borrowing, in which case the Borrower shall be deemed to have requested a Revolving Loan borrowing comprised entirely of Alternate Base Rate Loans in the amount of such Swingline Loans; provided, however, that, in the following circumstances, any such demand shall also be deemed to have been given one Business Day prior to each of (A) the Revolving Maturity Date, (B) the occurrence of any Bankruptcy Event, (C) upon acceleration of the Obligations hereunder, whether on account of a Bankruptcy Event or any other Event of Default, and (D) the exercise of remedies in accordance with the provisions of Section 7.2 (each such Revolving Loan borrowing made on account of any such deemed request therefor as provided herein being hereinafter referred to as "Mandatory Swingline Borrowing"). Each Revolving Lender hereby irrevocably agrees to make such Revolving Loans promptly upon any such request or deemed request on account of each Mandatory Swingline Borrowing in the amount and in the manner specified in the preceding sentence on the date such notice is received by the Revolving Lenders from the Administrative Agent if such notice is received at or before 2:00 P.M., otherwise such payment shall be made at or before 12:00 P.M. on the Business Day next succeeding the date such notice is received notwithstanding (1) the amount of Mandatory Swingline Borrowing may not comply with the minimum amount for borrowings of Revolving Loans otherwise required hereunder, (2) whether any conditions specified in Section 4.2 are then satisfied, (3) whether a Default or an Event of Default then exists, (4) failure of any such request or deemed request for Revolving Loans to be made by the time otherwise required in Section 2.1(b)(i), (5) the date of such Mandatory Swingline Borrowing, or (6) any reduction in the Revolving Committed Amount or termination of the Revolving Commitments immediately prior to such Mandatory Swingline Borrowing or contemporaneously therewith. In the event that any Mandatory Swingline Borrowing cannot for any reason be made on the date otherwise required above (including, without limitation, as a result of the commencement of a proceeding under the Bankruptcy Code), then each Revolving Lender hereby agrees that it shall forthwith purchase (as of the date the Mandatory

Swingline Borrowing would otherwise have occurred, but adjusted for any payments received from the Borrower on or after such date and prior to such purchase) from the Swingline Lender such Participation Interest in the outstanding Swingline Loans as shall be necessary to cause each such Revolving Lender to share in such Swingline Loans ratably based upon its respective Revolving Commitment Percentage (determined before giving effect to any termination of the Commitments pursuant to Section 7.2); provided that (x) all interest payable on the Swingline Loans shall be for the account of the Swingline Lender until the date as of which the respective Participation Interest is purchased, and (y) at the time any purchase of a Participation Interest pursuant to this sentence is actually made, the purchasing Revolving Lender shall be required to pay to the Swingline Lender interest on the principal amount of such Participation Interest purchased for each day from and including the day upon which the Mandatory Swingline Borrowing would otherwise have occurred to but excluding the date of payment for such Participation Interest, at the rate equal to, if paid within two (2) Business Days of the date of the Mandatory Swingline Borrowing, the Federal Funds Effective Rate, and thereafter at a rate equal to the Alternate Base Rate. The Borrower shall have the right to repay the Swingline Loan in whole or in part from time to time in accordance with Section 2.6(a).

(c)Interest on Swingline Loans. Subject to the provisions of Section 2.7, Swingline Loans shall bear interest at a per annum rate equal to the Alternate Base Rate plus the Applicable Margin for Revolving Loans that are Alternate Base Rate Loans. Interest on Swingline Loans shall be payable in arrears on each Interest Payment Date.

(d)Swingline Loan Note; Covenant to Pay. The Swingline Loans shall be evidenced by this Agreement and, upon request of the Swingline Lender, by a duly executed promissory note of the Borrower in favor of the Swingline Lender in the original amount of the Swingline Committed Amount and substantially in the form of Exhibit 2.4(d). The Borrower covenants and agrees to pay the Swingline Loans in accordance with the terms of this Agreement.

(e)Cash Collateral. At any point in time in which there is a Defaulting Lender, the Swingline Lender may require the Borrower to Cash Collateralize the outstanding Swingline Loans pursuant to Section 2.18.

Section 2.4 Fees

(a)Commitment Fee. Subject to Section 2.19, in consideration of the Revolving Commitments, the Borrower agrees to pay to the Administrative Agent, for the ratable benefit of the Revolving Lenders, a commitment fee (the "Commitment Fee") in an amount equal to the Applicable Margin per annum on the average daily unused amount of the Revolving Committed Amount. The Commitment Fee shall be calculated quarterly in arrears. For purposes of computation of the Commitment Fee, LOC Obligations shall be considered usage of the Revolving Committed Amount but Swingline Loans shall not be considered usage of the Revolving Committed Amount. The Commitment Fee shall be payable quarterly in arrears on the last Business Day of each calendar quarter, commencing on the first date to occur after the Closing Date, and on the Revolving Facility Termination Date.

(b)Letter of Credit Fees. Subject to Section 2.19, in consideration of the LOC Commitments, the Borrower agrees to pay to the Administrative Agent, for the ratable benefit of the Revolving Lenders, a fee (the "Letter of Credit Fee") equal to the Applicable Margin for Revolving Loans that are ~~LIBOR Rate~~SOFR Loans per annum on the average daily maximum amount available to be drawn under each Letter of Credit from the date of issuance to the date of expiration. The Letter of Credit Fee shall be payable quarterly in arrears on the last Business Day of each calendar quarter, commencing on the first date to occur after the Closing Date, and on the Revolving Facility Termination Date.

(c)Issuing Lender Fees. In addition to the Letter of Credit Fees payable pursuant to subsection (b) hereof, the Borrower shall pay to the Issuing Lender for its own account without sharing by the other Lenders the reasonable and customary charges from time to time of the Issuing Lender with respect to the amendment, transfer, administration, cancellation and conversion of, and drawings under, such Letters of Credit (collectively, the "Issuing Lender Fees"). The Issuing Lender may charge, and retain for its own account without sharing by the other Lenders, an additional facing fee (the "Letter of Credit Facing Fee") of 0.125% per annum on the average daily maximum amount available to be drawn under each such Letter of Credit issued by it. The Issuing Lender Fees and the Letter of Credit Facing Fee shall be payable quarterly in arrears on the last Business Day of each calendar quarter, commencing on the first date to occur after the Closing Date, and on the Revolving Facility Termination Date.

(d)Administrative Fee. The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times in the Capital One Engagement Letter or as separately agreed in writing between the Borrower and the Administrative Agent.

Section 2.5 Commitment Reductions.

(a)Voluntary Reductions. The Borrower shall have the right to terminate or permanently reduce the unused portion of the Revolving Committed Amount at any time or from time to time upon not less than five (5) Business Days' prior written notice to the Administrative Agent (which shall notify the Lenders thereof as soon as practicable) of each such termination or reduction, which notice shall specify the effective date thereof and the amount of any such reduction which shall be in a minimum amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof and shall be irrevocable and effective upon receipt by the Administrative Agent; provided that no such reduction or termination shall be permitted if after giving effect thereto, and to any prepayments of the Revolving Loans made on the effective date thereof, the sum of the aggregate principal amount of outstanding Revolving Loans plus outstanding Swingline Loans plus outstanding LOC Obligations would exceed the Revolving Committed Amount then in effect. Any reduction in the Revolving Committed Amount shall be applied to the Revolving Commitment of each Revolving Lender in according to its Revolving Commitment Percentage.

(b)LOC Committed Amount. If the Revolving Committed Amount is reduced below the then current LOC Committed Amount, the LOC Committed Amount shall automatically be reduced by an amount such that the LOC Committed Amount equals the Revolving Committed Amount.

(c)Swingline Committed Amount. If the Revolving Committed Amount is reduced below the then current Swingline Committed Amount, the Swingline Committed Amount shall automatically be reduced by an amount such that the Swingline Committed Amount equals the Revolving Committed Amount.

(d)Commitment Terminations. The Revolving Commitments, the Swingline Commitment and the LOC Commitment shall automatically terminate on the Revolving Facility Termination Date.

Section 2.6 Prepayments.

(a)Optional Prepayments and Repayments. The Borrower shall have the right to repay the Loans in whole or in part from time to time; provided, however, that each partial prepayment or repayment of (i) Loans that are Alternate Base Rate Loans shall be in a minimum principal amount of \$1,000,000 and integral multiples of \$100,000 in excess thereof (or the remaining outstanding principal amount), (ii) Loans that are ~~LIBOR Rate~~SOFR Loans shall be in a minimum principal amount of \$1,000,000 and integral multiples of \$100,000 in excess thereof (or the remaining outstanding principal amount) and (iii) Swingline Loans shall be in a minimum principal amount of \$100,000 and integral multiples of \$100,000 in excess thereof (or the remaining outstanding principal amount). The Borrower shall give three Business Days' irrevocable notice of prepayment in the case of ~~LIBOR Rate~~SOFR Loans and same-day irrevocable notice on any Business Day in the case of Alternate Base Rate Loans, to the Administrative Agent (which shall notify the Lenders thereof as soon as practicable). To the extent the Borrower elects to repay the Revolving Loans and/or Swingline Loans, amounts prepaid under this Section shall be applied to the Revolving Loans and/or Swingline Loans, as applicable of the Revolving Lenders in accordance with their respective Revolving Commitment Percentages. Within the foregoing parameters, prepayments under this Section shall be applied first to Alternate Base Rate Loans and then to ~~LIBOR Rate~~SOFR Loans in direct order of Interest Period maturities. All prepayments under this Section shall be subject to Section 2.14, but otherwise without premium or penalty. Interest on the principal amount prepaid shall be payable on the next occurring Interest Payment Date that would have occurred had such loan not been prepaid or, at the request of the Administrative Agent, interest on the principal amount prepaid shall be payable on any date that a prepayment is made hereunder through the date of prepayment.

(b)Mandatory Prepayments.

(i)Revolving Committed Amount. If at any time after the Closing Date, the sum of the aggregate principal amount of outstanding Revolving Loans plus outstanding Swingline Loans plus outstanding LOC Obligations exceed the Revolving Committed Amount, the Borrower shall immediately prepay the Revolving Loans and Swingline Loans and (after all Revolving Loans and Swingline Loans have been repaid) Cash Collateralize the LOC Obligations in an amount sufficient to eliminate such excess (such prepayment to be applied as set forth in Section 2.6(b)(iv) below).

(ii) Immediately upon receipt by any Credit Party or any Subsidiary of any Credit Party of the proceeds of the incurrence of Indebtedness (other than proceeds

from the incurrence of Indebtedness permitted under Section 6.1), the Borrower shall deliver, or cause to be delivered, to the Administrative Agent an amount equal to such proceeds for application in accordance with Section 2.6(b)(iv) below.

(iii) Within five (5) Business Days of the IPO, the Borrower shall deliver, or cause to be delivered, to the Administrative Agent an amount equal to the net cash proceeds raised in the IPO for application in accordance with Section 2.6(b)(iv) below.

(iv) Application of Mandatory Prepayments. All amounts required to be prepaid pursuant to Section 2.6(b)(i), (b)(ii) and (b)(iii) shall be applied (1) first to the outstanding Swingline Loans, (2) second to the outstanding Revolving Loans, and (3) third to Cash Collateralize the LOC Obligations.

Section 2.7 Default Rate and Payment Dates.

(a) If all or a portion of the principal amount of any Loan which is a ~~LIBOR-Rate~~SOFR Loan is not paid when due or continued as a ~~LIBOR-Rate~~SOFR Loan in accordance with the provisions of Section 2.8 (whether at the stated maturity, by acceleration or otherwise), such overdue principal amount of such Loan shall be converted to an Alternate Base Rate Loan at the end of the Interest Period applicable thereto.

(b) Upon the occurrence and during the continuance of a (i) Bankruptcy Event or a Payment Event of Default, the principal of and, to the extent permitted by law, interest on, the Loans and any other amounts owing hereunder or under the other Credit Documents shall automatically bear interest at a rate per annum which is equal to the Default Rate and (ii) any other Event of Default hereunder, at the option of the Required Lenders, the principal of and, to the extent permitted by law, interest on the Loans and any other amounts owing hereunder or under the other Credit Documents shall automatically bear interest, at a per annum rate which is equal to the Default Rate, in each case from the date of such Event of Default until such Event of Default is waived in accordance with Section 9.1. Any default interest owing under this Section 2.7(b) shall be due and payable on the earlier to occur of (x) demand by the Administrative Agent (which demand the Administrative Agent shall make if directed by the Required Lenders) and (y) the Revolving Maturity Date.

Section 2.8 Conversion Options.

(a) The Borrower may, in the case of Revolving Loans, elect from time to time to convert Alternate Base Rate Loans to ~~LIBOR-Rate~~SOFR Loans or to continue ~~LIBOR-Rate~~SOFR Loans, by delivering a Notice of Conversion/Extension to the Administrative Agent at least three Business Days prior to the proposed date of conversion or continuation. In addition, the Borrower may elect from time to time to convert all or any portion of a ~~LIBOR-Rate~~SOFR Loan to an Alternate Base Rate Loan by giving the Administrative Agent irrevocable written notice thereof by 11:00 A.M. one (1) Business Day prior to the proposed date of conversion. If the date upon which an Alternate Base Rate Loan is to be converted to a ~~LIBOR-Rate~~SOFR Loan is not a Business Day, then such conversion shall be made on the next succeeding Business Day and during the period from such last day of an Interest Period to such succeeding Business Day such

Loan shall bear interest as if it were an Alternate Base Rate Loan. ~~LIBOR Rate~~SOFR Loans may only be converted to Alternate Base Rate Loans on the last day of the applicable Interest Period. If the date upon which a ~~LIBOR Rate~~SOFR Loan is to be converted to an Alternate Base Rate Loan is not a Business Day, then such conversion shall be made on the next succeeding Business Day and during the period from such last day of an Interest Period to such succeeding Business Day such Loan shall bear interest as if it were an Alternate Base Rate Loan. All or any part of outstanding Alternate Base Rate Loans may be converted as provided herein; provided that (i) no Loan may be converted into a ~~LIBOR Rate~~SOFR Loan when any Default or Event of Default has occurred and is continuing and (ii) partial conversions shall be in an aggregate principal amount of \$1,000,000 or a whole multiple of \$100,000 in excess thereof. All or any part of outstanding ~~LIBOR Rate~~SOFR Loans may be converted as provided herein; provided that partial conversions shall be in an aggregate principal amount of \$1,000,000 or a whole multiple of \$100,000 in excess thereof.

(b) Any ~~LIBOR Rate~~SOFR Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in Section 2.8(a); provided, that no ~~LIBOR Rate~~SOFR Loan may be continued as such when any Default or Event of Default has occurred and is continuing, in which case such Loan shall be automatically converted to an Alternate Base Rate Loan at the end of the applicable Interest Period with respect thereto. If the Borrower fails to give timely notice of an election to continue a ~~LIBOR Rate~~SOFR Loan, or the continuation of ~~LIBOR Rate~~SOFR Loans is not permitted hereunder, such ~~LIBOR Rate~~SOFR Loans shall be automatically converted to Alternate Base Rate Loans at the end of the applicable Interest Period with respect thereto.

Section 2.9 Computation of Interest and Fees; Usury.

(a) Interest payable hereunder with respect to any Alternate Base Rate Loan based on the Prime Rate shall be calculated on the basis of a year of 365 days (or 366 days, as applicable) for the actual days elapsed. All other fees, interest and all other amounts payable hereunder shall be calculated on the basis of a 360-day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the Lenders of each determination of ~~a LIBOR Rate~~Term SOFR on the Business Day of the determination thereof. Any change in the interest rate on a Loan resulting from a change in the Alternate Base Rate shall become effective as of the opening of business on the day on which such change in the Alternate Base Rate becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the Lenders of the effective date and the amount of each such change.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the computations used by the Administrative Agent in determining any interest rate.

(c) It is the intent of the Lenders and the Credit Parties to conform to and contract in strict compliance with applicable usury law from time to time in effect. All agreements between the Lenders and the Credit Parties are hereby limited by the provisions of this subsection which shall override and control all such agreements, whether now existing or hereafter arising and

whether written or oral. In no way, nor in any event or contingency (including, but not limited to, prepayment or acceleration of the maturity of any Obligation), shall the interest taken, reserved, contracted for, charged, or received under this Agreement, under the Notes or otherwise, exceed the maximum nonusurious amount permissible under applicable law. If, from any possible construction of any of the Credit Documents or any other document, interest would otherwise be payable in excess of the maximum nonusurious amount, any such construction shall be subject to the provisions of this paragraph and such interest shall be automatically reduced to the maximum nonusurious amount permitted under applicable law, without the necessity of execution of any amendment or new document. If any Lender ever receives anything of value which is characterized as interest on the Loans under applicable law and which would, apart from this provision, be in excess of the maximum nonusurious amount, an amount equal to the amount which would have been excessive interest shall, without penalty, be applied to the reduction of the principal amount owing on the Loans and not to the payment of interest, or refunded to the Borrower or the other payor thereof if and to the extent such amount which would have been excessive exceeds such unpaid principal amount of the Loans. The right to demand payment of the Loans or any other Indebtedness evidenced by any of the Credit Documents does not include the right to receive any interest which has not otherwise accrued on the date of such demand, and the Lenders do not intend to charge or receive any unearned interest in the event of such demand. All interest paid or agreed to be paid to the Lenders with respect to the Loans shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term (including any renewal or extension) of the Loans so that the amount of interest on account of such Indebtedness does not exceed the maximum nonusurious amount permitted by applicable law.

Section 2.10 Pro Rata Treatment and Payments.

(a) Allocation of Payments Prior to Exercise of Remedies. Each borrowing of Loans and any reduction of the Commitments shall be made pro rata according to the respective Revolving Commitment Percentages, of the Lenders. Unless otherwise required by the terms of this Agreement, each payment under this Agreement shall be applied, first, to any fees then due and owing by the Borrower pursuant to Section 2.4, second, to interest then due and owing hereunder by the Borrower and, third, to principal then due and owing hereunder and under this Agreement by the Borrower. Each payment on account of any fees pursuant to Section 2.4 shall be made pro rata in accordance with the respective amounts due and owing (except as to the Letter of Credit Facing Fees and the Issuing Lender Fees which shall be paid to the Issuing Lender). Each optional repayment and prepayment by the Borrower on account of principal of and interest on the Loans shall be applied to such Loans, as applicable, on a pro rata basis and, to the extent applicable, in accordance with the terms of Section 2.6(a). Each mandatory prepayment on account of principal of the Loans shall be applied to such Loans, as applicable, on a pro rata basis and, to the extent applicable, in accordance with Section 2.6(b). All payments (including prepayments) to be made by the Borrower on account of principal, interest and fees shall be made without defense, set-off or counterclaim and shall be made to the Administrative Agent for the account of the Lenders at the Administrative Agent's office specified on Section 9.2 in Dollars and in immediately available funds not later than 1:00 P.M. on the date when due. The Administrative Agent shall distribute such payments to the Lenders entitled thereto promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the ~~LIBOR Rate~~ SOFR Loans) becomes due and payable on a day other than a Business Day, such payment

shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. If any payment on a ~~LIBOR Rate~~SOFR Loan becomes due and payable on a day other than a Business Day, such payment date shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day.

(b)Allocation of Payments After Exercise of Remedies. All proceeds realized from the liquidation or other Disposition of Collateral or otherwise received after maturity of the Revolving Loans, whether by acceleration or otherwise, shall be applied: (1) first, to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Administrative Agent in its capacity as such; (2) second, pro rata to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Revolving Lenders and each Issuing Lender and Swingline Lender; (3) third, pro rata to payment of accrued interest on the Revolving Loans and the Swingline Loans; (4) fourth, pro rata to payment of (A) principal outstanding on the Revolving Loans and the Swingline Loans, (B) Obligations referred to in clause (b) of the definition of the term “Obligations” owing to a Secured Hedging Agreement Counterparty, and (C) Obligations referred to in clause (c) of the definition of the term “Obligations” owing to a Treasury Management Counterparty; (5) fifth, to serve as Cash Collateral to be held by the Administrative Agent to secure the LOC Obligations; (6) sixth, all other Obligations and (7) seventh, any excess, after all of the Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Borrower or as otherwise required by any Requirement of Law.

Section 2.11 Non-Receipt of Funds by the Administrative Agent.

(a)Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent receives written notice from a Lender prior to the proposed date of any Extension of Credit that such Lender will not make available to the Administrative Agent such Lender’s share of such Extension of Credit, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with this Agreement and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Extension of Credit available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (ii) in the case of a payment to be made by the Borrower, the interest rate applicable to Alternate Base Rate Loans. If the Borrower and such Lender pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Extension of Credit to the Administrative Agent, then the amount so paid shall constitute such Lender’s Loan included in such Extension of Credit. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(b)Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent receives notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Lender, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Lender, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the Issuing Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under subsections (a) and (b) of this Section shall be conclusive, absent manifest error.

(c)Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Extension of Credit set forth in Article IV are not satisfied or waived in accordance with the terms thereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d)Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans, to fund participations in Letters of Credit and Swingline Loans and to make payments pursuant to Section 9.5(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any such payment under Section 9.5(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 9.5(c).

(e)Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

Section 2.12 Inability to Determine Interest Rate; Effect of Benchmark Transition Event.

(a) Notwithstanding any other provision of this Agreement, if (i) the Administrative Agent reasonably determines (which determination shall be conclusive and binding absent manifest error) that, by reason of circumstances affecting the relevant market, reasonable and adequate means do not exist for ascertaining ~~the LIBOR Rate~~ Term SOFR for such Interest Period, or (ii) the Required Lenders reasonably determine (which determination shall be conclusive and binding absent manifest error) that ~~the LIBOR Rate~~ Term SOFR does not

adequately and fairly reflect the cost to such Lenders of funding ~~LIBOR Rate~~SOFR Loans that the Borrower has requested be outstanding as a ~~LIBOR~~SOFR Tranche during such Interest Period, the Administrative Agent shall forthwith give telephone notice of such determination, confirmed in writing, to the Borrower, and the Lenders at least two (2) Business Days prior to the first day of such Interest Period. Unless the Borrower shall have notified the Administrative Agent upon receipt of such telephone notice that it wishes to rescind or modify its request regarding such ~~LIBOR Rate~~SOFR Loans, any Loans that were requested to be made as ~~LIBOR Rate~~SOFR Loans shall be made as Alternate Base Rate Loans and any Loans that were requested to be converted into or continued as ~~LIBOR Rate~~SOFR Loans shall remain as or be converted into Alternate Base Rate Loans. Until any such notice has been withdrawn by the Administrative Agent, no further Loans shall be made as, continued as, or converted into, ~~LIBOR Rate~~SOFR Loans for the Interest Periods so affected.

(b)Effect of Benchmark Transition Event.

(i)Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Credit Document, upon the occurrence of a Benchmark Transition Event ~~or an Early Opt-in Election, as applicable~~, the Administrative Agent and the Borrower may amend this Agreement to replace ~~LIBOR~~the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. ~~Any such amendment with respect to an Early Opt-in Election will become effective on the date that Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders accept such amendment.~~ No replacement of ~~LIBOR~~a Benchmark with a Benchmark Replacement pursuant to this Section 2.12(b) will occur prior to the applicable Benchmark Transition Start Date.

(ii)Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(iii)Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event ~~or an Early Opt-in Election, as applicable~~, and its related Benchmark Replacement Date and, if applicable, Benchmark Transition Start Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes ~~and~~, (iv) the removal or reinstatement of any tenor of a Benchmark

pursuant to Section 2.12(b)(iv) and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.12(b), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party ~~hereto~~ to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.12(b).

(i) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(ii) ~~(iv) Benchmark Unavailability Period.~~ Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a ~~Eurodollar Borrowing~~ SOFR Loan of, conversion to or continuation of ~~Eurodollar~~ SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Alternate Base Rate Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Alternate Base Rate based upon ~~LIBOR~~ the then-current or such tenor for such Benchmark, as applicable, will not be used in any determination of Alternate Base Rate.

Section 2.13 Yield Protection.

(a) Increased Costs Generally. If any Change in Law:

(i)imposes, modifies or deems applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender ~~(except any reserve requirement reflected in the LIBOR Rate)~~ or the Issuing Lender;

(ii)subjects any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii)imposes on any Lender or the Issuing Lender or the London interbank market any other condition, cost or expense (in each case, other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing is to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender, such Issuing Lender or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, Issuing Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, Issuing Lender or other Recipient, the Borrower will pay to such Lender, Issuing Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Issuing Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b)Capital Requirements. If any Lender or the Issuing Lender determines that any Change in Law affecting such Lender or the Issuing Lender or any lending office of such Lender or such Lender's or the Issuing Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for any such reduction suffered.

(c)Certificates for Reimbursement. A certificate of a Lender or the Issuing Lender setting forth the amount or amounts necessary to compensate such Lender or the Issuing

Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d)Delay in Requests. Failure or delay on the part of any Lender or the Issuing Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or the Issuing Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender or the Issuing Lender pursuant to this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date such Lender or Issuing Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or Issuing Lender's intention to claim compensation therefore (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

Section 2.14 Compensation for Losses.

(a) Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly, but in any event, within ten (10) Business Days, compensate such Lender for and hold such Lender harmless from any loss, cost or expense (in each case, other than Taxes) incurred by it as a result of:

(i) any continuation, conversion, payment or prepayment of any Loan other than an Alternate Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(ii) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than an Alternate Base Rate Loan on the date or in the amount notified by the Borrower; or

(iii) any assignment of a ~~LIBOR Rate~~ SOFR Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 2.17;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

~~For purposes of calculating amounts payable by the Borrower to the Lenders under this Section, each Lender shall be deemed to have funded each LIBOR Rate Loan made by it at the LIBOR Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such LIBOR Rate Loan was in fact so funded.~~ With respect to Section 2.12,

Section 2.14 and Section 2.16, each Lender shall treat the Borrower in the same manner as such Lender treats other similarly situated borrowers.

Section 2.15 Taxes.

(a)Issuing Lender. For purposes of this Section 2.15, the term “Lender” includes any Issuing Lender.

(b)Payments Free of Taxes. Any and all payments by or on account of any obligation of any Credit Party under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Credit Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c)Payment of Other Taxes by the Borrower. The Credit Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d)Indemnification by the Borrower. The Credit Parties shall jointly and severally indemnify each Recipient, within thirty (30) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e)Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within thirty (30) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender’s failure to comply with the provisions of Section 9.6(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive

absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f)Evidence of Payments. As soon as practicable after any payment of Taxes by any Credit Party to a Governmental Authority pursuant to this Section 2.15, such Credit Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g)Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.15(g)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(i) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with

respect to payments of interest under any Credit Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(ii)executed copies of IRS Form W-8ECI;

(iii)in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit 2.15(a) to the effect that (A) such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(iv)to the extent a Foreign Lender is not the beneficial owner executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit 2.15(b) or Exhibit 2.15(c), IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit 2.15(d) on behalf of each such direct and indirect partner;

(C)any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D)if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(h)Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.15 (including by the payment of additional amounts pursuant to this Section 2.15), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i)Survival. Each party's obligations under this Section 2.15 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

Section 2.16~~Illegality~~. Notwithstanding any other provision of this Agreement, if any Change in Law makes it unlawful for such Lender or its ~~LIBOR Domestic~~ Lending Office to make or maintain ~~LIBOR Rate~~SOFR Loans as contemplated by this Agreement ~~or to obtain in the interbank eurodollar market through its LIBOR Lending Office the funds with which to make such Loans~~, (a) such Lender shall promptly notify the Administrative Agent and the Borrower thereof, (b) the commitment of such Lender hereunder to make ~~LIBOR Rate~~SOFR Loans or continue ~~LIBOR Rate~~SOFR Loans as such shall forthwith be suspended until the Administrative Agent gives notice that the condition or situation which gave rise to the suspension no longer exists, and (c) such Lender's Loans then outstanding as ~~LIBOR Rate~~SOFR Loans, if any, shall be converted on the last day of the Interest Period for such Loans or within such earlier period as required by law as Alternate Base Rate Loans. The Borrower hereby agrees to promptly pay any Lender, upon its demand, any additional amounts necessary to compensate such Lender for actual and direct costs (but not including anticipated profits) reasonably incurred by such Lender in making any repayment in accordance with this Section including, but not limited to, any interest or fees payable by such Lender to lenders of funds obtained by it in order to make or maintain its ~~LIBOR Rate~~SOFR Loans hereunder. A certificate (which certificate shall include a description of the basis for the computation) as to any additional amounts payable pursuant to this Section submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. Each Lender agrees to use reasonable efforts (including reasonable efforts to change its ~~LIBOR Lending Office~~lending office) to avoid or to minimize any amounts which may otherwise be payable pursuant to this Section; provided, however, that such efforts shall not cause the imposition on such Lender of any additional costs or legal or regulatory burdens deemed by such Lender in its sole discretion to be material.

Section 2.17Mitigation Obligations; Replacement of Lenders.

(a)Designation of a Different Lending Office. If any Lender requests compensation under Section 2.13, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, or cannot make or maintain ~~LIBOR Rate~~SOFR Loans pursuant to Section 2.16, then such Lender shall (at the request of the Borrower) use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.13, Section 2.15 or Section 2.16, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b)Replacement of Lenders. If any Lender requests compensation under Section 2.14, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, or if any Lender cannot make or maintain ~~LIBOR Rate~~SOFR Loans pursuant to Section 2.18, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 9.6), all of its interests, rights (other than its

existing rights to payments pursuant to Section 2.13, Section 2.15 or Section 2.16) and obligations under this Agreement and the related Credit Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 9.6(b) (iv);

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in Letters of Credit, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Credit Documents (including any amounts under Section 2.14) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.13 or payments required to be made pursuant to Section 2.15 or Section 2.16, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with applicable law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 2.18 Cash Collateral.

(a) Cash Collateral. At any time that there exists a Defaulting Lender, or if, as of the Letter of Credit Expiration Date, any LOC Obligations for any reason remain outstanding, in each case, within one (1) Business Day following the written request of the Administrative Agent, the Issuing Lender (with a copy to the Administrative Agent) or any Swingline Lender (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize (i) all Fronting Exposure of the Issuing Lender and the Swingline Lender with respect to such Defaulting Lender (determined after giving effect to Section 2.19 and any Cash Collateral provided by the Defaulting Lender) and (ii) if the Letter of Credit Expiration Date has occurred, all LOC Obligations then outstanding.

(b) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to the Administrative Agent, for the benefit of the Administrative Agent, the Issuing Lenders and the Lenders (including the Swingline Lender), and agrees to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lenders' obligations to which such Cash Collateral may be applied pursuant to clause (c) below. If at any time the Administrative Agent, Issuing Lender or Swingline

Lender determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure, the Borrower will, promptly upon demand by the Administrative Agent, Issuing Lender or Swingline Lender pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(c)Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section or Section 2.19 in respect of Letters of Credit or Swingline Loans, shall be held and applied to the satisfaction of the specific LOC Obligations, Swingline Loans, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d)Termination of Requirement. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or other obligations shall no longer be required to be held as Cash Collateral pursuant to this Section 2.18 following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender), or (ii) the determination by the Administrative Agent, each Issuing Lender and each Swingline Lender that there exists excess Cash Collateral; provided that, subject to Section 2.19, the Person providing Cash Collateral and each Issuing Lender and Swingline Lender may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations.

Section 2.19 Defaulting Lenders.

(a)Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i)Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and Section 9.1.

(ii)Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.7 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Lender or Swingline Lender hereunder; *third*, to Cash Collateralize the Issuing Lender's or Swingline Lender's Fronting Exposure in accordance with Section 2.18; *fourth*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect

of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Issuing Lender's and the Swingline Lender's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement in accordance with Section 2.18; *sixth*, to the payment of any amounts owing to the Lenders, the Issuing Lenders or Swingline Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Lenders or Swingline Lenders against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (A) such payment is a payment of the principal amount of any Loans or LOC Obligations in respect of which such Defaulting Lender has not fully funded its appropriate share and (B) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LOC Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LOC Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in LOC Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments under the applicable facility without giving effect to Section 2.19(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.19(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) Commitment Fees. No Defaulting Lender shall be entitled to receive any Commitment Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Letter of Credit Fees. Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant Section 2.18.

(C)Reallocation of Fees. With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in LOC Obligations or Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to each Issuing Lender and Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Lender's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such Letter of Credit Fee.

(iv)Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in LOC Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that (x) the conditions set forth in Section 4.2 are satisfied at the time of such reallocation (and, unless the Borrower shall have otherwise notified the Administrative Agent at such time, the Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time) and (y) such reallocation does not cause the aggregate Committed Funded Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v)Cash Collateral, Repayment of Swingline Loans. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, (x) *first*, prepay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure and (y) *second*, Cash Collateralize the Issuing Lender's Fronting Exposure in accordance with the procedures set forth in Section 2.18.

(b)Defaulting Lender Cure. If the Borrower, the Administrative Agent and each Swingline Lender and Issuing Lender, in their sole discretion, agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.19(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender;

provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c)New Swingline Loans/Letters of Credit. So long as any Lender is a Defaulting Lender, (i) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan and (ii) no Issuing Lender shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

Section 2.20 Incremental Revolving Facility.

(a)Request for Increase. Provided no Default or Event of Default has occurred and is continuing, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower shall have the right at any time after the Closing Date to effectuate on one or more occasions, but limited to four in the aggregate, an increase in the Revolving Committed Amount (and the aggregate Revolving Commitments of the Lenders) by sending a notice to the Administrative Agent requesting such increase and increasing the Revolving Commitment of a Lender or by causing a Person that at such time is not a Lender to become a Lender (without the consent of any other Lender); provided that (i) any such request for an increase shall be in a minimum amount of \$25,000,000, and the aggregate amount of all such increases shall not exceed \$200,000,000, (ii) after giving effect to an increase in the Revolving Commitments pursuant to this Section 2.20, the Revolving Committed Amount shall not exceed \$700,000,000, and (iii) no Lender's Revolving Commitment shall be increased without such Lender's prior written consent. No Lender shall have any obligation to agree to such increase and no Lender shall have any right of first refusal (or similar right) to provide such increase in the Revolving Commitments.

(b)Lender Elections to Increase. Any increase in the Revolving Commitments of an existing Lender shall be pursuant to an increase agreement in form and substance satisfactory to the Administrative Agent and its counsel.

(c)Additional Lenders. The Borrower may also invite additional Eligible Assignees (subject to any required approvals that would be applicable under Section 9.6(b)(iii)) to become Lenders pursuant to a joinder agreement in form and substance satisfactory to the Administrative Agent and its counsel.

(d)Effective Date and Allocations. If the Revolving Committed Amount is increased in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrower and the Lenders of the final allocation of such increase and the Increase Effective Date.

(e)Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent a certificate of each Credit Party dated as of the Increase Effective Date (in sufficient copies for each Lender) signed by a

Responsible Officer of such Credit Party (i) certifying and attaching the resolutions adopted by such Credit Party approving or consenting to such increase, and (ii) in the case of the Borrower, certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Article III and the other Credit Documents are true and correct in all material respects on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and (B) no Default or Event of Default has occurred and is continuing. Any increase pursuant to this Section 2.20 shall be subject to the following additional conditions:

(i) as of such date, giving effect to amounts drawn or to be drawn pursuant to this Agreement (as increased pursuant to this Section 2.20) as of such date and the anticipated use of the proceeds thereof, the Borrower shall be in *pro forma* compliance (including any *pro forma* Consolidated EBITDA of any planned acquisition to be funded with such increase) with the financial covenants contained in Section 5.9 as of the last day of the most recent fiscal quarter of the Borrower for which financial statements have been delivered pursuant to Section 5.1(a) or (b);

(ii) the Borrower shall have delivered a certificate of a Responsible Officer of each Credit Party certifying as to attached resolutions or written consents approving or consenting to such increase in the Revolving Commitments; and

(iii) to the extent reasonably requested by the Administrative Agent, the Borrower shall have delivered customary legal opinions and other documents, which shall in no event be more extensive than those requirements set forth in Section 4.1.

(f) Unless otherwise consented to by the Administrative Agent and the Lenders, the Borrower shall prepay any Revolving Loans outstanding on the Increase Effective Date (and pay any additional amounts required pursuant to Section 2.14) to the extent necessary to keep the outstanding Revolving Loans ratable with any revised Applicable Percentages arising from any nonratable increase in the Revolving Commitments under this Section.

(g) Amendments. The Administrative Agent is authorized to enter into, on behalf of the Lenders, the Issuing Lender and the Swingline Lender any amendment to this Agreement or any other Credit Document as may be necessary to incorporate the terms of any such increase in the Revolving Commitments under this Section.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement and to make the Extensions of Credit herein provided for, the Credit Parties (to the extent applicable to each such Credit Party) hereby represent and warrant to the Administrative Agent and to each Lender that:

Section 3.1 Financial Statements.

(a) The Borrower has furnished to the Administrative Agent and the Lenders complete and correct copies of: (i) the audited consolidated balance sheets of the Borrower and its consolidated Subsidiaries for the fiscal year ended December 31, 2016, December 31, 2017 and December 31, 2018 and the related audited consolidated statements of income, shareholders' equity, and cash flows of the Borrower and its consolidated Subsidiaries for such fiscal years, accompanied by the report thereon of Grant Thornton LLP or other nationally recognized accounting firm reasonably acceptable to the Administrative Agent; (ii) the interim unaudited consolidated balance sheet, and the related statements of income and of cash flows, of the Borrower and its Subsidiaries for each quarterly period ended since December 31, 2018, for which financial statements are available; (iii) the pro forma balance sheet and income statement of the Borrower and its Subsidiaries for the four-quarter period most recently ended prior to the Closing Date for which financial statements are available giving pro forma effect to the Transactions as if the Transactions occurred at the beginning of such period; and (iv) the pro forma balance sheet of the Borrower and its Subsidiaries as of the Closing Date giving pro forma effect to the Transactions as if the Transactions had occurred as of such date. All such financial statements have been prepared in accordance with GAAP, consistently applied (except as stated therein). The financial statements referred to in clauses (i) and (ii) fairly present in all material respects the financial position of the Borrower and its Subsidiaries as of the respective dates indicated and the consolidated results of their operations and cash flows for the respective periods indicated, subject in the case of any such financial statements that are unaudited, to normal audit adjustments. The financial statements referred to in clauses (iii) and (iv) fairly present in all material respects the financial position of the Borrower and its Subsidiaries, it being acknowledged and agreed by the Lenders that such financial statements were prepared on the basis of assumptions, data, information, tests, or conditions believed to be reasonable at the time such financial statements were prepared. The Borrower and its Subsidiaries did not have, as of the date of the latest financial statements referred to above, and will not have as of the Closing Date after giving effect to the incurrence of Loans hereunder and the consummation of the other Transactions, any material or significant contingent liability or liability for taxes, long-term lease or unusual forward or long-term commitment that is not reflected in the foregoing financial statements or the notes thereto in accordance with GAAP.

(b) The financial projections of the Borrower and its Subsidiaries (which shall be annually for the term of the Revolving Facility) delivered to the Administrative Agent and the Lenders prior to the Closing Date (collectively, the "Financial Projections") were prepared on behalf of the Borrower in good faith after taking into account historical levels of business activity of the Borrower and its Subsidiaries, known trends, including general economic trends, and all other information, assumptions and estimates considered by management of the Borrower and its Subsidiaries to be pertinent thereto; provided, however, that no representation or warranty is made as to the impact of future general economic conditions or as to whether the projected consolidated results as set forth in the Financial Projections will actually be realized, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results for the periods covered by the Financial Projections may differ materially from the Financial Projections. No facts are known to the Borrower as of the Closing Date which, if reflected in the Financial Projections, would result in a Material Adverse Effect. The Financial Projections shall not be inconsistent with any information provided to the Lenders in connection with the Revolving Facility.

Section 3.2No Material Adverse Effect. Since December 31, 2018, there has been no development or event which has had or could reasonably be expected to have a Material Adverse Effect.

Section 3.3Corporate Existence; Compliance with Law; Patriot Act Information. Each of the Credit Parties (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, organization or formation, (b) has the requisite power and authority and the legal right to own and operate all its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged and has taken all actions necessary to maintain all rights, privileges, licenses and franchises necessary or required in the normal conduct of its business except those rights, privileges, licenses and franchises, the lack of which could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (c) is duly qualified to conduct business and in good standing under the laws of (i) the jurisdiction of its organization or formation, (ii) the jurisdiction where its chief executive office is located and (iii) each other jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification except to the extent that the failure to so qualify or be in good standing in any such other jurisdiction could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (d) is in compliance with all Requirements of Law, except to the extent such non-compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Set forth on Schedule 3.3 as of the Closing Date is the following information for each Credit Party: the exact legal name and any former legal names of such Credit Party in the four (4) months prior to the Closing Date, the state of incorporation or organization, the type of organization, the jurisdictions in which such Credit Party is qualified to do business, the chief executive office, the principal place of business, the organization identification number and the federal tax identification number.

Section 3.4Corporate Power; Authorization; Enforceable Obligations. The Transactions are within each Credit Party's corporate, limited liability company, or partnership powers and have been duly authorized by all necessary corporate, limited liability company, or partnership action and, if required, equity owner action (including, without limitation, any action required to be taken by any class of directors of the Borrower or any other Person, whether interested or disinterested, in order to ensure the due authorization of the Transactions). Each Credit Document to which it is a party has been duly executed and delivered on behalf of each Credit Party. Each Credit Document to which it is a party constitutes a legal, valid and binding obligation of each Credit Party, enforceable against such Credit Party in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, by the unenforceability under certain circumstances under law or court decisions of provisions providing for the indemnification or contribution to a party with respect to liability when such indemnification or contribution is contrary to public policy and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

Section 3.5Approvals; No Conflicts; No Default. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person (including shareholders or any class of directors, whether interested or disinterested, of any Credit Party or any other Person), nor is any such consent, approval, registration, filing or other action necessary for the validity or enforceability of any

Credit Document or the consummation of the transactions contemplated thereby, except such as have been obtained or made and are in full force and effect other than (i) the recording and filing of the Security Documents as required by this Agreement and (ii) those third party approvals or consents which, if not made or obtained, would not cause a Default hereunder, could not reasonably be expected to have a Material Adverse Effect or do not have an adverse effect on the enforceability of the Credit Documents, (b) will not violate any Requirement of Law applicable to the Borrower or any other Credit Party, or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture or other agreement regarding Indebtedness of the Borrower or any other Credit Party or give rise to a right thereunder to require any payment to be made by the Borrower or such Credit Party, (d) will not violate or result in a default under any Material Contract, or give rise to a right thereunder to require any payment to be made by the Borrower or such Credit Party, and (e) will not result in the creation or imposition of any Lien on any property of the Borrower or any other Credit Party (other than the Liens created by (i) the Credit Documents and (ii) the PNC Term Loan Documents, to the extent permitted pursuant to Section 6.2(r)). No Default or Event of Default has occurred and is continuing.

Section 3.6 No Material Litigation. No litigation, investigation, claim, criminal prosecution, civil investigative demand, imposition of criminal or civil fines and penalties, or any other proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Credit Parties, without a duty to investigate, threatened in writing by or against any Credit Party or any of its Subsidiaries or against any of its or their respective properties or revenues (a) with respect to the Credit Documents or any Extension of Credit or any of the Transactions, or (b) which could reasonably be expected to have a Material Adverse Effect. No permanent injunction, temporary restraining order or similar decree has been issued against any Credit Party or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.

Section 3.7 Investment Company Act. No Credit Party is an “investment company,” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940, as amended.

Section 3.8 Margin Regulations. No part of the proceeds of any Extension of Credit hereunder will be used directly or indirectly for any purpose that violates, or that would require any Lender to make any filings in accordance with, the provisions of Regulation T, U or X of the Board of Governors of the Federal Reserve System as now and from time to time hereafter in effect. The Credit Parties and their Subsidiaries (a) are not engaged, principally or as one of their important activities, in the business of extending credit for the purpose of “purchasing” or “carrying” “margin stock” within the respective meanings of each of such terms under Regulation U and (b) taken as a group do not own “margin stock” except as identified in the financial statements referred to in Section 3.1 or delivered pursuant to Section 5.1 and the aggregate value of all “margin stock” owned by the Credit Parties and their Subsidiaries taken as a group does not exceed 25% of the value of their assets.

Section 3.9 ERISA. Neither a Reportable Event nor an “accumulated funding deficiency” (within the meaning of Section 412 of the Code or Section 302 of ERISA) has occurred during the five-year period prior to the date on which this representation is made or deemed made with respect to any Single Employer Plan, and each Single Employer Plan has complied in all material respects

with the applicable provisions of ERISA and the Code. No termination of a Single Employer Plan has occurred resulting in any liability that has remained underfunded, and no Lien on the assets of the Borrower or any Commonly Controlled Entity in favor of the PBGC or a Plan has arisen, during such five-year period. The present value of all accrued benefits under each Single Employer Plan (based on those assumptions used to fund such Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits by an amount that could reasonably be expected to have a Material Adverse Effect. None of the Credit Parties or any of their respective Subsidiaries is currently subject to any liability for a complete or partial withdrawal from a Multiemployer Plan. Except as set forth on Schedule 3.9, no Commonly Controlled Entity (other than the Borrower and its Subsidiaries) is currently subject to any liability for a complete or partial withdrawal from a Multiemployer Plan.

Section 3.10 Environmental Matters.

(a) The Credit Parties and their respective Subsidiaries conduct in the ordinary course of business a review of the effect of Environmental Laws and claims alleging potential liability or responsibility under any Environmental Law or for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Credit Parties have reasonably concluded that such Environmental Laws (including any costs to comply with Environmental Laws) and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Except for notices or listings of any release, discharge, or disposal of any Materials of Environmental Concern, any storage tanks, impoundments, septic tanks, pits, sumps, lagoons, contamination, or asbestos as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, none of the Credit Parties and their respective Subsidiaries have received from any Person, including but not limited to any Governmental Authority, any written notice of liability or potential liability under any Environmental Law; none of the properties currently owned or operated by any Credit Party or any of its Subsidiaries is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or, to the knowledge of the Credit Parties and their Subsidiaries, is adjacent to any such property and neither any Credit Party nor any of its Subsidiaries has received any written notice that any property formerly owned or operated by any Credit Party or any of its Subsidiaries is listed on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; there are no and, to knowledge of the Credit Parties and their Subsidiaries, never have been any surface impoundments, septic tanks, pits, sumps or lagoons in which Materials of Environmental Concern are being or have been treated, stored or disposed on any property currently owned or operated by any Credit Party or any of its Subsidiaries or, to the best of the knowledge of the Borrower, on any property formerly owned or operated by the Borrower or any of its Subsidiaries; during the period of ownership or operation of any property by any Credit Party or any of its Subsidiaries, no contamination has been found in any well located on property currently owned or operated by any Credit Party or any of its Subsidiaries; there is no asbestos or asbestos-containing material on any property currently owned or operated by the Borrower or any of its Subsidiaries; and Materials of Environmental Concern have not been released, discharged or disposed of on, under, at, or migrating to or from any property currently or, to the knowledge of

the Credit Parties or their Subsidiaries, formerly owned or operated by any Credit Party or any of its Subsidiaries.

(c) Except for any investigation, assessment, remedial action, or response action undertaken by or on behalf of any Credit Party or any of its Subsidiaries as could not reasonably be expected to result in a Material Adverse Effect, and except for any use, storage, generation, disposal, treatment, transport, or handling of any Materials of Environmental Concern as could not reasonably be expected to have a Material Adverse Effect, neither any Credit Party nor any of its Subsidiaries is undertaking, and has not completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Materials of Environmental Concern at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and all Materials of Environmental Concern generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by any Credit Party or any of its Subsidiaries are stored and have been disposed of in a manner not reasonably expected to result in liability to any Credit Party or any of its Subsidiaries.

(d) The Borrower has delivered to the Administrative Agent all requested Phase I environmental site assessments prepared in accordance with ASTM International Standard E1527-13 for each applicable real property site owned, operated or leased by Borrower or any of its Subsidiaries prepared by a qualified environmental consultant reasonably acceptable to Administrative Agent (the "Phase I Reports").

Section 3.11 Use of Proceeds. The proceeds of the Extensions of Credit will only be used as provided in Section 5.15.

Section 3.12 Capitalization. As of the Closing Date, Schedule 3.12 sets forth a true, complete and accurate description of the equity capital structure of the Borrower's Subsidiaries showing, for each such Subsidiary, accurate ownership percentages of the equityholders of record and accompanied by a statement of authorized and issued Equity Interests for each such Subsidiary. Except as set forth on Schedule 3.12, as of the Closing Date (a) there are no preemptive rights, outstanding subscriptions, warrants or options to purchase any Equity Interests of any Credit Party, (b) there are no obligations of any Credit Party to redeem or repurchase any of its Equity Interests and (c) there is no agreement, arrangement or plan to which any Credit Party is a party or of which any Credit Party has knowledge that could directly or indirectly affect the capital structure of any Credit Party. The Equity Interests of each Credit Party described on Schedule 3.12 (i) are validly issued and fully paid and non-assessable (to the extent such concepts are applicable to the respective Equity Interests) and (ii) are owned of record and beneficially as set forth on Schedule 3.12, free and clear of all Liens (other than Liens created under the Security Documents).

Section 3.13 Ownership. Each of the Credit Parties and its Subsidiaries is the owner of, and has record title to or a valid leasehold interest in, all of its real property and good title or a valid license to use all of its other assets except for defects that do not materially interfere with the ordinary conduct of its business. Such real property and other assets constitute all assets in the aggregate material to the conduct of the business of the Credit Parties and their Subsidiaries, and (after giving effect to the Transactions) none of such assets is subject to any Lien other than

Permitted Liens. The Borrower and each other Credit Party owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property material to its business, and the use thereof by the Borrower and such Credit Party does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 3.14[Reserved.]

Section 3.15Taxes. Each of the Credit Parties and its Subsidiaries has filed, or caused to be filed, all U.S. federal income Tax returns and all other material Tax returns (federal, state, local and foreign) required to be filed and paid (a) all amounts of taxes shown thereon to be due (including interest and penalties) and (b) all other material Taxes (including mortgage recording Taxes, documentary stamp Taxes and intangibles Taxes) owing by it, except for such Taxes (i) that are not yet delinquent or (ii) that are being contested in good faith and by proper proceedings, and against which adequate reserves are being maintained in accordance with GAAP. None of the Credit Parties or their Subsidiaries has knowledge as of the Closing Date of any proposed material tax assessments against it or any of its Subsidiaries.

Section 3.16Real Property. Set forth on Schedule 3.16, as of the Closing Date, is a list of all real property owned and leased by each Credit Party and each of its Subsidiaries, which list includes all Owned Convenience Stores as of the Closing Date. Set forth on Schedule 3.16 as of the Closing Date is a list of (i) each headquarter location of the Credit Parties (and an indication if such location is leased or owned), (ii) each other location where any significant administrative or governmental functions are performed (and an indication if such location is leased or owned) and (iii) each other location where the Credit Parties maintain any books or records (electronic or otherwise) (and an indication if such location is leased or owned).

Section 3.17Solvency. The Credit Parties are solvent on a consolidated basis and are able to pay their debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, and the fair saleable value of the Credit Parties' assets, measured on a going concern basis, exceeds all probable liabilities, including those to be incurred pursuant to this Agreement. The Credit Parties do not have, on a consolidated basis, unreasonably small capital in relation to the business in which they are or propose to be engaged. The Credit Parties have not incurred, on a consolidated basis, and the Credit Parties do not believe that they will incur debts beyond their ability to pay such debts as they become due. In executing the Credit Documents and consummating the Transactions, none of the Credit Parties intends to hinder, delay or defraud either present or future creditors or other Persons to which one or more of the Credit Parties is or will become indebted. On the Closing Date, the foregoing representations and warranties shall be made both before and after giving effect to the Transactions.

Section 3.18Compliance with FCPA and Anti-Corruption Laws. Each of the Credit Parties and their Subsidiaries is in compliance with all applicable anti-corruption laws, including the Foreign Corrupt Practices Act, 15 U.S.C. §§ 78dd-1, *et seq.*, and any foreign counterpart thereto. No Credit Party or any Subsidiary thereof, nor to the knowledge of the Credit Party, any director, officer, agent, employee, or other person acting on behalf of any Credit Party or any Subsidiary thereof, has taken any action, directly or indirectly, that would result in a violation of applicable anti-corruption laws. None of the Credit Parties or their Subsidiaries has made a payment, offering,

or promise to pay, or authorized the payment of, money or anything of value (a) in order to assist in obtaining or retaining business for or with, or directing business to, any foreign official, foreign political party, party official or candidate for foreign political office, (b) to a foreign official, foreign political party or party official or any candidate for foreign political office, and (c) with the intent to induce the recipient to misuse his or her official position to direct business wrongfully to such Credit Party or its Subsidiary or to any other Person, in violation of the Foreign Corrupt Practices Act, 15 U.S.C. §§ 78dd-1, *et seq.*

Section 3.19 Material Contracts. Set forth on Schedule 3.19 is a complete list, as of the Closing Date, of all Material Contracts of the Borrower and each other Credit Party, including all amendments thereto. Except as set forth on such Schedule 3.19, all such Material Contracts are in full force and effect on the Closing Date. Neither the Borrower nor any other Credit Party is in breach under any Material Contract in any way that could reasonably be expected to have a Material Adverse Effect, and to the knowledge of the Borrower and each other Credit Party, no other Person that is party thereto is in breach under any Material Contract in any way that could reasonably be expected to have a Material Adverse Effect. None of the Material Contracts prohibits or in any way restricts the Transactions. Each of the Material Contracts is currently in the name of, or has been assigned to, a Credit Party (with the consent or acceptance of each other party thereto if and to the extent that such consent or acceptance is required thereunder), and, except as a result of anti-assignment provisions that are not rendered unenforceable by applicable laws (as described on Schedule 3.19), a security interest in each of the Material Contracts may be granted to the Administrative Agent. The Borrower and the other Credit Parties have delivered to the Administrative Agent a complete and current copy of each Material Contract existing on the Closing Date.

Section 3.20 Brokers' Fees. None of the Credit Parties or their Subsidiaries has any obligation to any Person in respect of any finder's, broker's, investment banking or other similar fee in connection with any of the Transactions other than the closing and other fees payable pursuant to the Transactions.

Section 3.21 Labor Matters. There are no collective bargaining agreements or Multiemployer Plans covering the employees of the Credit Parties or any of their Subsidiaries as of the Closing Date and none of the Credit Parties or their Subsidiaries (a) has suffered any strikes, walkouts, work stoppages or other material labor difficulty within the last five years or (b) has knowledge of any potential or pending strike, walkout or work stoppage. No unfair labor practice complaint is pending against any Credit Party or any of its Subsidiaries. There are no strikes, walkouts, work stoppages or other material labor difficulty pending or threatened against any Credit Party.

Section 3.22 Accuracy and Completeness of Information. None of the written factual information heretofore (other than any projections, any third-party data and any information of a general economic or industry-specific nature) or contemporaneously furnished by or on behalf of any Credit Party or any of its Subsidiaries to the Administrative Agent, the Arrangers, any Issuing Lender or any Lender for purposes of or in connection with this Agreement or any other Credit Document, or any Transaction (in each case as modified or supplemented by other information so furnished), contains a material misstatement of a fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not

misleading in any material respect. As of the Closing Date, the information included in the Beneficial Ownership Certification is true and correct in all respects.

Section 3.23 Common Enterprise. The successful operation and condition of each of the Credit Parties is dependent on the continued successful performance of the functions of the Credit Parties as a whole and the successful operation of each of the Credit Parties is dependent on the successful performance and operation of each other Credit Party. Each Credit Party expects to derive benefit (and its board of directors or other governing body has determined that it may reasonably be expected to derive benefit), directly and indirectly, from (i) the successful operations of each of the other Credit Parties and (ii) the credit extended by the Lenders to the Borrower hereunder, both in their separate capacities and as members of the group of companies. Each Credit Party has determined that execution, delivery, and performance of this Agreement and any other Credit Documents to be executed by such Credit Party is within its purpose, will be of direct and indirect benefit to such Credit Party, and is in its best interest.

Section 3.24 Insurance. The properties of the Credit Parties and their Subsidiaries are insured with companies having an A.M. Best Rating of at least A- and are not Affiliates of the Credit Parties, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where any Credit Party or the applicable Subsidiary operates. Such insurance coverage complies with the requirements set forth in Section 5.5(b).

Section 3.25 Security Documents. The provisions of the Security Documents are effective to create in favor of the applicable Secured Parties described therein a legal, valid and enforceable first priority Lien (subject to Permitted Liens) on all right, title and interest of the respective Credit Parties in the Collateral described therein. Except for filings completed prior to the Closing Date or as contemplated hereby and by the Security Documents, no filing or other action will be necessary to perfect or protect such Liens required to be perfected hereby or thereby.

Section 3.26 Classification of Senior Indebtedness. The Obligations constitute “Senior Indebtedness,” “Designated Senior Indebtedness” or any similar designation under and as defined in any agreement governing any Subordinated Debt and the subordination provisions set forth in each such agreement are legally valid and enforceable against the parties thereto, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors’ rights generally, by the unenforceability under certain circumstances under law or court decisions of provisions providing for the indemnification or contribution to a party with respect to liability when such indemnification or contribution is contrary to public policy and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

Section 3.27 Anti-Terrorism and Anti-Money Laundering Law Compliance. Each of the Borrower and its Subsidiaries is and will remain in compliance in all material respects with all U.S. economic sanctions laws, Executive Orders and implementing regulations as promulgated by the U.S. Treasury Department’s Office of Foreign Assets Control. No Credit Party and no Subsidiary or, to the knowledge of any Credit Party, an Affiliate of a Credit Party (i) is a Person designated by the U.S. government on the list of the Specially Designated Nationals and Blocked Persons (the “SDN List”) with which a U.S. Person cannot deal with or otherwise engage in

business transactions, (ii) is a Person who is otherwise the target of U.S. economic sanctions laws such that a U.S. Person cannot deal or otherwise engage in business transactions with such Person, (iii) is a Person organized or resident in a country or territory subject to comprehensive U.S. economic sanctions or (iii) is controlled by (including without limitation by virtue of such person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person or entity on the SDN List or a foreign government that is the target of U.S. economic sanctions prohibitions such that the entry into, or performance under, this Agreement or any other Credit Document would be prohibited under U.S. law. The Credit Parties, each of their Subsidiaries and each of their Affiliates are in compliance with all laws related to terrorism or money laundering, including (a) all applicable requirements of the Currency and Foreign Transactions Reporting Act of 1970 (31 U.S.C. 5311 et. seq., (the Bank Secrecy Act)), as amended by Title III of the USA Patriot Act, (b) the Trading with the Enemy Act, (c) Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (66 Fed. Reg. 49079), any other enabling legislation, executive order or regulations issued pursuant or relating thereto and (d) other applicable federal or state laws relating to “know your customer” or anti-money laundering rules and regulations.

Section 3.28 Responsible Officer. Set forth on the incumbency certificate delivered pursuant to Section 4.1(c)(v) are the Responsible Officers that are permitted to sign Credit Documents on behalf of the Credit Parties and holding the offices indicated next to their respective names, in each case as of the Closing Date. As of the Closing Date, such Responsible Officers are the duly elected and qualified officers of such Credit Party and are duly authorized to execute and deliver, on behalf of the respective Credit Party, this Agreement and the other Credit Documents.

Section 3.29 Regulation H. Except to the extent that flood insurance in form and substance satisfactory to the Administrative Agent and otherwise in compliance with the Flood Insurance Laws has been obtained with respect thereto, no Building that is located on any Mortgaged Property is located in a special flood hazard area as designated by any Governmental Authority.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.1 Conditions to Closing Date. This Agreement shall not become effective until the Business Day on which each of the following conditions is satisfied (or waived in accordance with Section 9.1) (the “Closing Date”):

(a) Fees and Expenses. The Administrative Agent, the Arrangers and the Lenders shall have received all commitment, facility and agency fees and all other fees and amounts due and payable on or prior to the Closing Date, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder (including, without limitation, the reasonable fees and expenses of Latham & Watkins LLP, counsel to the Administrative Agent).

(b) Execution of Credit Agreement and Credit Documents. The Administrative Agent shall have received (i) counterparts of this Agreement, executed by a duly authorized officer of each party hereto, (ii) for the account of each Revolving Lender requesting a promissory note,

a duly executed Revolving Loan Note, (iii) for the account of the Swingline Lender requesting a promissory note, the Swingline Loan Note, (iv) counterparts of the Security Agreement, (v) counterparts of the Master Assignment and (vi) counterparts of each of the GPM Investments Letter Agreement, the Capital One Engagement Letter and any other Credit Document required to be executed and delivered on or before the Closing Date. In the case of each of clauses (i), (ii), (iii), (iv), (v) and (vi), such Credit Documents shall be in form and substance satisfactory to the Administrative Agent and the Lenders and shall be executed by duly authorized officers of the Credit Parties or other Person, as applicable.

(c) Authority Documents. The Administrative Agent shall have received the following:

(i) Articles of Incorporation/Charter Documents. Copies of certified articles of incorporation or other charter documents, as applicable, of each Credit Party certified (A) by an officer of such Credit Party (pursuant to an officer's certificate in form and substance satisfactory to the Administrative Agent) as of the Closing Date to be true and correct and in force and effect as of such date, and (B) to be true and complete as of a recent date by the appropriate Governmental Authority of the state of its incorporation or organization, as applicable.

(ii) Resolutions. Copies of resolutions of the board of directors, general partner or comparable managing body of each Credit Party approving and adopting the Credit Documents, the Transactions and authorizing execution and delivery thereof, certified by an officer of such Credit Party (pursuant to an officer's certificate in form and substance satisfactory to the Administrative Agent) as of the Closing Date to be true and correct and in force and effect as of such date.

(iii) Bylaws/Operating Agreement/Partnership Agreement. A copy of the bylaws, partnership agreement or comparable operating or limited liability company agreement of each Credit Party certified by an officer of such Credit Party (pursuant to an officer's certificate in form and substance satisfactory to the Administrative Agent) as of the Closing Date to be true and correct and in force and effect as of such date.

(iv) Good Standing. Original certificates of good standing, existence or its equivalent with respect to each Credit Party certified as of a recent date by the appropriate Governmental Authorities of the state of incorporation or organization and each other state in which assets owned or leased by any of the Credit Parties are located or in which the failure to so qualify and be in good standing could reasonably be expected to have a Material Adverse Effect.

(v) Incumbency. An incumbency certificate of each Responsible Officer of each Credit Party authorized to execute and deliver the Credit Documents certified by an officer (pursuant to an officer's certificate in form and substance satisfactory to the Administrative Agent) to be true and correct as of the Closing Date.

(d)Legal Opinion of Counsel. The Administrative Agent shall have received an opinion or opinions of counsel for the Credit Parties, dated the Closing Date and addressed to the Administrative Agent and the Lenders, in form and substance acceptable to the Administrative Agent.

(e)Personal Property Collateral. The Administrative Agent shall have received, in form and substance satisfactory to the Administrative Agent:

(i)certified copies, each as of a recent date, of (A) UCC searches in the jurisdictions specified in the Perfection Certificate with respect to each Credit Party, together with copies of all filings disclosed by such searches, (B) tax and judgment lien searches, bankruptcy and pending lawsuit searches or equivalent reports or searches listing all effective lien notices or comparable documents that name any Credit Party as debtor and that are filed in the state and county jurisdictions in which any Credit Party is organized or maintains its principal place of business, and (C) such other searches that the Administrative Agent reasonably requests;

(ii)completed UCC financing statements for each appropriate jurisdiction as is necessary or appropriate, in the Administrative Agent's sole discretion, to perfect the Administrative Agent's security interest in the Collateral;

(iii)certificates, if any, evidencing the Equity Interests pledged to the Administrative Agent pursuant to the Security Agreement and undated transfer powers with respect thereto, duly executed in blank;

(iv)duly executed consents as are necessary, in the Administrative Agent's sole discretion, to perfect the Lenders' security interest in the Collateral; and

(v)to the extent required to be delivered pursuant to the terms of the Security Documents, all instruments, documents and chattel paper in the possession of any of the Credit Parties, together with allonges or assignments as may be necessary or appropriate to perfect the Administrative Agent's and the Lenders' security interest in the Collateral.

(f)Liability, Casualty, Property and Business Interruption Insurance. The Administrative Agent shall have received copies of insurance policies and certificates of insurance evidencing liability (including, without limitation, in respect of pollution), casualty, property and business interruption insurance meeting the requirements set forth herein or in the Security Documents.

(g)Solvency Certificate. The Administrative Agent shall have received an officer's certificate prepared by the chief financial officer or other Responsible Officer approved by the Administrative Agent of the Borrower as to the financial condition, solvency and related matters of the Credit Parties and their Subsidiaries, after giving effect to the Transactions and the initial borrowings under the Credit Documents, in substantially the form of Exhibit 4.1(h).

(h)Notice of Borrowing. The Administrative Agent shall have received a Notice of Borrowing with respect to the Loans to be made on the Closing Date.

(i)No Conflicts. The Transactions (a) shall not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person (including shareholders or any class of directors, whether interested or disinterested, of any Credit Party or any other Person), and no such consent, approval, registration, filing or other action is necessary for the validity or enforceability of any Credit Document or the consummation of the transactions contemplated thereby, except such as have been obtained or made and are in full force and effect other than (i) the recording and filing of the Security Documents as required by this Agreement and (ii) those third party approvals or consents which, if not made or obtained, would not cause a Default hereunder, could not reasonably be expected to have a Material Adverse Effect or do not have an adverse effect on the enforceability of the Credit Documents, (b) shall not violate any Requirement of Law applicable to Borrower or any other Credit Party, or any order of any Governmental Authority, (c) shall not violate or result in a default under any indenture or other agreement regarding Indebtedness of the Borrower or any other Credit Party or give rise to a right thereunder to require any payment to be made by the Borrower or such Credit Party, (d) shall not violate any Organization Document of the Borrower or any other Credit Party, (e) shall not violate or result in a default under any Material Contract, or give rise to a right thereunder to require any payment to be made by the Borrower or such Credit Party, and (f) shall not result in the creation or imposition of any Lien on any property of the Borrower or any other Credit Party (other than the Liens created by the Credit Documents and the PNC Term Loans Documents, to the extent permitted pursuant to Section 6.2(r)).

(j)Existing Indebtedness of the Credit Parties. All of the existing Indebtedness for borrowed money of the Credit Parties and their Subsidiaries (other than Indebtedness permitted to exist pursuant to Section 6.1) shall be repaid in full and all security interests related thereto shall be terminated or assigned to the Administrative Agent on terms and conditions reasonably satisfactory thereto on or prior to the Closing Date.

(k)Financial Statements. The Administrative Agent and the Lenders shall have received copies of the financial statements referred to in Section 3.1, the Financial Projections in each case certified by the chief financial officer of the Borrower, and any supplemental financial information with respect to GPM Investments, as may be reasonably requested by the Administrative Agent.

(l)Closing Certificate. The Administrative Agent shall have received a certificate or certificates executed by a Responsible Officer of the Borrower as of the Closing Date, in form and substance satisfactory to the Administrative Agent stating that (i) there does not exist any pending or ongoing, action, suit, investigation, litigation or proceeding in any court or before any other Governmental Authority (A) affecting this Agreement or the other Credit Documents, that has not been settled, dismissed, vacated, discharged or terminated prior to the Closing Date or (B) that purports to affect any Credit Party or any of its Subsidiaries, or any Transaction, which action, suit, investigation, litigation or proceeding could reasonably be expected to have a Material Adverse Effect, that has not been settled, dismissed, vacated, discharged or terminated prior to the Closing Date, and (ii) immediately after giving effect to this Agreement, the other Credit Documents, and all the Transactions contemplated to occur on such date, (A) no Default or Event

of Default exists, (B) all representations and warranties contained herein and in the other Credit Documents (1) with respect to representations and warranties that contain a materiality qualification, are true and correct and (2) with respect to representations and warranties that do not contain a materiality qualification, are true and correct in all material respects, in each case, as if made on and as of such date, except for any representation or warranty made as of an earlier date, which representation and warranty shall be true and correct or true and correct in all material respects, as applicable, as of such earlier date, and (C) the Credit Parties are in pro forma compliance with each of the initial financial covenants set forth in Section 5.9 (as evidenced through detailed calculations of such financial covenants on a schedule to such certificate) as of the last day of the most recently ended fiscal quarter.

(m)Material Contracts. The Borrower shall have delivered copies of each of the Material Contracts to the Administrative Agent, certified by a Responsible Officer of the Borrower as being true, correct and complete.

(n)Funds Flow. The Borrower shall have prepared and delivered to the Administrative Agent a funds flow for the Transactions, in form and substance satisfactory to the Administrative Agent in its sole discretion.

(o)Know Your Customer.

(i)The Borrower and each other Credit Party and GPM Investments shall have provided all documentation and other information reasonably requested by the Administrative Agent or any Lender at least 10 days prior to the anticipated closing in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act, in each case at least five (5) Business Days prior to the Closing Date.

(ii)To the extent qualifying as a “legal entity customer” under the Beneficial Ownership Regulation, the Borrower shall have delivered a Beneficial Ownership Certification.

(p)Perfection Certificate. The Administrative Agent shall have received a Perfection Certificate, dated as of the Closing Date, duly executed and delivered by each Credit Party.

(q)Lien Termination. The Administrative Agent shall have received appropriate UCC and other termination statements, mortgage releases and such other documentation as shall be necessary to terminate, release or assign to the Administrative Agent all Liens encumbering any of the assets of the Credit Parties, other than Permitted Liens, in each case, in proper form for filing, registration or recordation in the appropriate jurisdictions.

(r)No Material Adverse Effect. Since December 31, 2018, there shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(s)Due Diligence. The Administrative Agent shall have completed all legal, tax, accounting, business, financial, environmental, title, and ERISA due diligence concerning the

Borrower and its Subsidiaries, in each case in scope and with results in all respects satisfactory to the Administrative Agent in its sole discretion.

(i)Additional Documents. The Administrative Agent shall have received such other documents as the Administrative Agent or special counsel to the Administrative Agent may reasonably request. Without limiting the generality of the provisions of Section 8.4, for purposes of determining compliance with the conditions specified in this Section 4.1, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 4.2 Conditions to All Extensions of Credit. The obligation of each Lender to make any Extension of Credit hereunder is subject to the satisfaction of the following conditions precedent on the date of making such Extension of Credit:

(a)Representations and Warranties. The representations and warranties made by the Credit Parties herein, in the other Credit Documents and which are contained in any certificate furnished at any time under or in connection herewith shall (i) with respect to representations and warranties that contain a materiality qualification, be true and correct and (ii) with respect to representations and warranties that do not contain a materiality qualification, be true and correct in all material respects, in each case on and as of the date of such Extension of Credit as if made on and as of such date except for any representation or warranty made as of an earlier date, which representation and warranty shall remain true and correct or true and correct in all material respects, as applicable, as of such earlier date.

(b)No Default or Event of Default. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Extension of Credit to be made on such date unless such Default or Event of Default shall have been waived in accordance with this Agreement.

(c)Incremental Facility. If an increase in Revolving Commitments is requested pursuant to Section 2.20, all conditions set forth in Section 2.20 shall have been satisfied.

Each request for an Extension of Credit and each acceptance by the Borrower of any such Extension of Credit shall be deemed to constitute representations and warranties by the Credit Parties as of the date of such Extension of Credit that the conditions set forth above in paragraphs (a) through (c), as applicable, have been satisfied.

ARTICLE V

AFFIRMATIVE COVENANTS

Each of the Credit Parties hereby covenants and agrees that on the Closing Date, and thereafter (a) for so long as this Agreement is in effect, (b) until the Commitments have terminated, and (c) the Obligations and all other amounts owing to the Administrative Agent or any Lender hereunder are paid in full in cash, such Credit Party shall, and shall cause each of their Subsidiaries, to:

Section 5.1 Financial Statements.

Furnish to the Administrative Agent and each of the Lenders:

(a) Annual Financial Statements. As soon as available and in any event no later than the earlier of (i) to the extent applicable, the date the Borrower is required by the SEC to deliver its Form 10-K for each fiscal year of the Borrower and (ii) ninety (90) days after the end of each fiscal year of the Borrower, a copy of the Consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal year and the related Consolidated statements of income and retained earnings and of cash flows of the Borrower and its Subsidiaries for such year, which shall be audited by a firm of independent certified public accountants of nationally recognized standing reasonably acceptable to the Administrative Agent, setting forth in each case in comparative form the figures for the previous year, reported on without a statement with respect to “going concern” or like qualification, statement or exception, or qualification indicating that the scope of the audit was inadequate to permit such independent certified public accountants to certify such financial statements without such qualification;

(b) Quarterly Financial Statements. As soon as available and in any event no later than the earlier of (i) to the extent applicable, the date the Borrower is required by the SEC to deliver its Form 10-Q for any fiscal quarter of the Borrower and (ii) forty-five (45) days after the end of each of the first three (3) fiscal quarters of the Borrower, a copy of the Consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such period and related Consolidated statements of income and retained earnings and of cash flows for the Borrower and its Subsidiaries for such quarterly period and for the portion of the fiscal year ending with such period, in each case setting forth in comparative form Consolidated figures for the corresponding period or periods of the preceding fiscal year (subject to normal recurring year-end audit adjustments and of the predecessor entity, as applicable) and including management discussion and analysis of operating results inclusive of operating metrics in comparative form; and

(c) Annual Operating Budget and Cash Flow. As soon as available, but in any event within thirty (30) days after the end of each fiscal year, a copy of the detailed annual operating budget or business plan approved by management of the Borrower including cash flow projections of the Borrower and its Subsidiaries for the next four fiscal quarter period prepared on a quarterly basis, in form and detail reasonably acceptable to the Administrative Agent and the Lenders, together with a summary of the material assumptions made in the preparation of such annual budget or plan; any such financial statements shall be prepared in accordance with GAAP applied consistently throughout the periods reflected therein and further accompanied by a description of, and an estimation of the effect on the financial statements on account of, a change, if any, in GAAP as provided in Section 1.4(b) (subject, in the case of interim statements, to normal recurring year-end audit adjustments and the absence of footnotes) and, in the case of the annual and quarterly financial statements, provided in accordance with Section 5.1(a) and (b) above.

Notwithstanding the foregoing, financial statements and reports required to be delivered pursuant to the foregoing provisions of this Section may be delivered electronically and if so, shall be deemed to have been delivered on the date on which the Administrative Agent receives such reports from the Borrower through electronic mail; provided that, upon the Administrative Agent’s

request, the Borrower shall provide paper copies of any documents required hereby to the Administrative Agent.

Section 5.2 Certificates; Other Information.

Furnish to the Administrative Agent and each of the Lenders:

(a) Concurrently with the delivery of the financial statements referred to in Section 5.1(a) and Section 5.1(b) above, a certificate of a Responsible Officer substantially in the form of Exhibit 5.2(a) (“Compliance Certificate”) stating, among other things, that (i) such financial statements present fairly the financial position of the Credit Parties and their Subsidiaries for the periods indicated in conformity with GAAP applied on a consistent basis and (ii) such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate. Such certificate shall also include the calculations in reasonable detail required to indicate compliance with Section 5.9 as of the last day of such period.

(b) Promptly after entering into, terminating, materially amending or modifying or otherwise replacing any Material Contract, true correct and complete copies of any such new Material Contract, document evidencing termination of any Material Contract or other document materially amending or otherwise modifying a Material Contract.

(c) Promptly upon their becoming available, (i) copies of all reports (other than those provided pursuant to Section 5.1 and those which are of a promotional nature) and other financial information (other than K-1s) which any Credit Party sends to its public limited partners, shareholders or owners, (ii) copies of all reports and all registration statements and prospectuses, if any, which any Credit Party has filed with, the SEC (or any successor or analogous Governmental Authority) or any securities exchange or other private regulatory authority, (iii) all material reports from the SEC or federal or state environmental or health and safety agencies and (iv) all press releases and other statements made available by any of the Credit Parties to the public concerning material developments in the business of any of the Credit Parties.

(d) Promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Credit Party or of any of its Subsidiaries pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to this Section 5.2;

(e) Concurrently with the delivery of the financial statements referred to in Section 5.1(a), a report summarizing the insurance coverage (specifying type, amount and carrier) in effect for each Credit Party and its Subsidiaries and containing such additional information as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably specify;

(f) Promptly, and in any event within five (5) Business Days after receipt thereof by any Credit Party or any Subsidiary thereof, copies of each written notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Credit Party or any Subsidiary thereof;

(g) Not later than five (5) Business Days after receipt thereof by any Credit Party or any Subsidiary thereof, copies of all written notices, requests and other documents (including amendments, waivers and other modifications) so received under or pursuant to any instrument, indenture, loan or credit or similar agreement and, from time to time upon request by the Administrative Agent, such information and reports regarding such instruments, indentures and loan and credit and similar agreements as the Administrative Agent may reasonably request;

(h) Promptly, and in any event within five (5) Business Days after receipt thereof by any Credit Party or any Subsidiary thereof, copies of each written notice, complaint, action or proceeding against any Credit Party or any of its Subsidiaries alleging any noncompliance with, liability or potential liability under, any Environmental Law that could reasonably be expected to have a Material Adverse Effect;

(i) Concurrently with the delivery of the financial statements referred to in Section 5.1(a) and Section 5.1(b) a certificate signed by a Responsible Officer of the Borrower setting forth any changes to the information required pursuant to the Perfection Certificate of any Credit Party or confirming that there has been no change in such information since the date of the most recently delivered or updated Perfection Certificate of any Credit Party;

(j) On a monthly basis within forty-five (45) days of the last day of the calendar month, a gas volume realization report of the Credit Parties in reasonable detail on a per station basis as at the close of trade on the last day of the prior calendar month;

(k) Promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know your customer” requirements under the PATRIOT Act or other applicable anti-money laundering laws, including, without limitation, the Beneficial Ownership Regulation; and

(l) Promptly, such additional information regarding the business, financial, legal or other affairs of any Credit Party, or compliance with the terms of the Credit Documents, as the Administrative Agent or any Lender may from time to time reasonably request.

Notwithstanding anything herein to the contrary, documents required to be delivered pursuant to Section 5.2(c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower’s website on the internet at the following website address www.sec.gov/edgar or (ii) on which such documents are posted on the Borrower’s behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent). The Administrative Agent shall have no obligation to request the delivery of, or to maintain paper copies of, the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Section 5.3 Payment of Taxes and Other Obligations. Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, subject, where

applicable, to specified grace periods, (a) all of its material Taxes and (b) all of its other material obligations and liabilities of whatever nature in accordance with industry practice, in each case except when the amount or validity of any such Taxes, obligations and liabilities and costs is currently being contested in good faith by appropriate proceedings and reserves, if applicable, in conformity with GAAP with respect thereto have been provided on the books of the Credit Parties.

Section 5.4 Existence; Conduct of Business. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, consents, privileges and franchises material to the conduct of its business and maintain, if necessary, its qualification to do business in each other jurisdiction in which its properties are located or the ownership of its properties requires such qualification, except where the failure to so qualify could not reasonably be expected to have a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under this Agreement.

Section 5.5 Maintenance of Property; Insurance.

(a) Keep all property material to the conduct of its business in good working order and condition (ordinary wear and tear and obsolescence excepted).

(b) Maintain with financially sound and reputable insurance companies (provided, however, that this Section 5.5 will not be deemed breached if any insurance company with which the Credit Parties maintain insurance becomes financially troubled and the Credit Parties reasonably promptly obtain coverage from a different, financially sound insurer) liability, casualty, property and business interruption insurance (including, without limitation, insurance with respect to its tangible Collateral) in at least such amounts and against at least such risks as are usually insured against by companies engaged in the same or a similar business; and furnish to the Administrative Agent, upon the request of the Administrative Agent, full information as to the insurance carried. The Administrative Agent shall be named (i) as lenders' loss payee, as its interest may appear with respect to any property insurance, and (ii) as additional insured, as its interest may appear, with respect to any such liability insurance, and each provider of any such insurance shall agree, by endorsement upon the policy or policies issued by it or by independent instruments to be furnished to the Administrative Agent, that it will give the Administrative Agent thirty (30) days prior written notice before any such policy or policies shall be altered or canceled, and such policies shall provide that no act or default of the Credit Parties or any of their Subsidiaries or any other Person shall affect the rights of the Administrative Agent or the Lenders under such policy or policies.

(c) In case of any material loss, damage to or destruction of the Collateral of any Credit Party or any part thereof, such Credit Party shall promptly give written notice thereof to the Administrative Agent generally describing the nature and extent of such damage or destruction.

(d) With respect to each portion of Mortgaged Property on which any Building is located, the Borrower shall, and shall cause its Subsidiaries to, obtain flood insurance in such total amount as the Administrative Agent or the Required Lenders may from time to time require, to the extent such flood insurance coverage is available, if at any time the area in which any such Building is located is designated as a "flood hazard area" in any Flood Insurance Rate Map

published by the Federal Emergency Management Agency (or any successor agency), and otherwise comply with the Flood Insurance Laws. In addition, to the extent the Borrower or any of its Subsidiaries fails to obtain or maintain satisfactory flood insurance required pursuant to the preceding sentence with respect to any relevant property, the Administrative Agent shall be permitted to, in its sole discretion, and, at the direction of the Required Lenders, shall, obtain forced placed insurance at the Borrower's expense to ensure compliance with any applicable Flood Insurance Laws.

Section 5.6 Books and Records; Inspection Rights. (a) Keep proper books of record and account as needed to allow it to provide the financial statements and reports required hereunder, and (b) permit any representatives designated by the Administrative Agent, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its Responsible Officers and independent accountants, all at such reasonable times and as often as reasonably requested; provided that so long as no Event of Default has occurred and is continuing, such visits and inspections shall occur no more than twice in any calendar year.

Section 5.7 Notices.

Give notice in writing to the Administrative Agent (which shall promptly transmit such notice to each Lender) of any of the following promptly, but in any event within three (3) Business Days after any Credit Party knows thereof:

(a) the occurrence of any Default or Event of Default;

(b) any development or event which could reasonably be expected to have a Material Adverse Effect;

(c) the filing or commencement of, or the threat in writing of, any action, suit, proceeding, investigation or arbitration by or before any arbitrator or Governmental Authority against or affecting the Borrower, any other Credit Party not previously disclosed in writing to the Lenders or any material adverse development in any action, suit, proceeding, investigation or arbitration (whether or not previously disclosed to the Lenders) that, in either case, if adversely determined, could reasonably be expected to result in liability to the Borrower and the other Credit Parties in excess of \$2,500,000, not fully covered by insurance, subject to normal deductibles;

(d) the occurrence of any ERISA Event;

(e) any material change in accounting policies or financial reporting practices by the Borrower or any of its Subsidiaries, including any determination by the Borrower that the calculation of the financial covenants set forth in Section 5.9 was inaccurate and a proper calculation would have resulted in higher pricing for the applicable period; and

(f) any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification.

Each notice pursuant to this Section shall be accompanied by a statement of an Responsible Officer setting forth details of the occurrence referred to therein and stating what action the Credit Parties propose to take with respect thereto. In the case of any notice of a Default or Event of Default, the Borrower shall specify that such notice is a Default or Event of Default notice on the face thereof.

Section 5.8 Environmental Laws.

(a) Except as could not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, comply with, and use its commercially reasonable efforts to ensure compliance in all material respects by all tenants and subtenants, if any, with, all applicable Environmental Laws and obtain and comply with and maintain, and use its commercially reasonable efforts to ensure that all such tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws;

(b) Except as could not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply with all applicable lawful orders and directives of all Governmental Authorities regarding Environmental Laws except to the extent that the same are being contested in good faith by appropriate proceedings; and

(c) Defend, indemnify and hold harmless the Administrative Agent and the Lenders, and their respective employees, agents, officers and directors and affiliates, from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of the Credit Parties or any of their Subsidiaries or their properties, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing arise out of the gross negligence or willful misconduct of the party seeking indemnification therefor. The agreements in this paragraph shall survive repayment of the Obligations and all other amounts payable hereunder and termination of the Commitments and the Credit Documents.

Section 5.9 Financial Covenants.

Comply with the following financial covenants:

(a) Consolidated Total Leverage Ratio. The Consolidated Total Leverage Ratio, calculated as of the last day of each fiscal quarter of the Borrower, or as of any other date on a Pro Forma Basis, shall be less than 4.25 to 1.00; provided that Consolidated Total Leverage Ratio may equal or exceed 4.25 to 1.00, but in no event shall exceed 4.75:1.00, from and after the last day of the fiscal quarter in which a Material Acquisition occurs to and including the last day of the second full fiscal quarter following the fiscal quarter in which such Material Acquisition occurred.

(b)Consolidated Interest Coverage Ratio. The Consolidated Interest Coverage Ratio, calculated as of the last day of each fiscal quarter of the Borrower, or as of any other date on a Pro Forma Basis, shall be greater than 2.50 to 1.00.

Section 5.10 Additional Guarantors. The Credit Parties will cause each of their Subsidiaries, whether newly formed, after acquired or otherwise existing to promptly (and in any event within ten (10) days after such Subsidiary is formed or acquired (or such longer period of time as agreed to by the Administrative Agent in its reasonable discretion)) become a Guarantor hereunder by way of execution of a Joinder Agreement; provided, however, no Foreign Subsidiary or FSHCO shall be required to become a Guarantor to the extent such Guaranty would result in a material adverse tax consequence for the Borrower. In connection therewith, the Credit Parties shall give notice to the Administrative Agent not less than ten (10) days prior to creating a Subsidiary (or such shorter period of time as agreed to by the Administrative Agent in its reasonable discretion), or acquiring the Equity Interests of any other Person. In connection with the foregoing, the Credit Parties shall deliver to the Administrative Agent, with respect to each new Guarantor to the extent applicable, substantially the same documentation required pursuant to Section 4.1(b), (c), (d), (f) and Section 4.1(g) and the documentation required under Section 5.12 and such other documents or agreements as the Administrative Agent may reasonably request.

Section 5.11 Compliance with Law. Comply with all Requirements of Law and orders (including, without limitation, Environmental Laws, ERISA and the Patriot Act), and all applicable restrictions imposed by all Governmental Authorities, applicable to it and the Collateral if noncompliance with any such Requirements of Law, order or restriction could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.12 Pledged Assets.

(a)Equity Interests. Each Credit Party will cause 100% of the Equity Interests in each of its direct or indirect Domestic Subsidiaries (unless such Domestic Subsidiary is a FSHCO, is owned directly or indirectly by a Foreign Subsidiary or is a shell holding company pending consummation of a Permitted Acquisition) and 65% (to the extent the pledge of a greater percentage would be unlawful or would cause any materially adverse tax consequences to the Borrower or any Guarantor) of the voting Equity Interests and 100% of the non-voting Equity Interests of the Foreign Subsidiaries it directly owns, in each case to the extent owned by such Credit Party, to be subject at all times to a first priority, perfected Lien in favor of the Administrative Agent pursuant to the terms and conditions of the Security Documents or such other security documents as the Administrative Agent shall reasonably request.

(b)Personal Property. Subject to the terms of subsection (c) below, each Credit Party will cause all of its tangible and intangible personal property now existing or hereafter acquired by it to be subject at all times to a first priority, perfected Lien (subject in each case to Permitted Liens and any excluded assets set forth in the Security Documents) in favor of the Administrative Agent for the benefit of the applicable Secured Parties to secure the applicable Obligations pursuant to the terms and conditions of the Security Documents. Each Credit Party shall, and shall cause each of its Subsidiaries to, adhere to the covenants set forth in the Security Documents.

(c) Real Property. To the extent otherwise permitted hereunder, if any Credit Party intends to acquire a fee ownership interest in any real property after the Closing Date with a fair market value in excess of \$1,000,000, individually and in the aggregate when taken together with all other such acquisitions since the Closing Date, it shall provide to the Administrative Agent within 60 days of such acquisition (or such extended period of time as agreed to by the Administrative Agent) the information and reports it requests pursuant to Section 5.17 and, upon the request of the Administrative Agent, it shall also provide within 30 days of such request (or such extended period of time as agreed to by the Administrative Agent), a Mortgage Instrument to cause such fee ownership interest in such real property to be subject at all times to a first priority, perfected Lien (subject in each case to Permitted Liens) in favor of the Administrative Agent and such other documentation as the Administrative Agent may reasonably request in connection with the foregoing, including, without limitation, documentation listed in Section 5.18(a), all in form and substance reasonably satisfactory to the Administrative Agent.

(d) To the extent that any Building that is located on real property that is subject to (or is intended to be subject to) a Mortgage, the Borrower shall, or shall cause the relevant Subsidiary to, promptly provide the Administrative Agent (for distribution to the Lenders) such information as the Administrative Agent (on behalf of itself or any Lender) may reasonably request in order for the Administrative Agent (or such Lender) to obtain a standard life of loan flood hazard determination form for such property and otherwise confirm compliance with the Flood Insurance Laws. Notwithstanding anything in any Credit Document to the contrary, to the extent that any Credit Party is required to grant a Mortgage on any real property on which any Building is located (the “Additional Improved Real Property”), prior to the execution and delivery of such Mortgage with respect to such Additional Improved Real Property, the Administrative Agent shall provide to the Lenders (which may be delivered electronically) (i) a standard life of loan flood hazard determination form for such Additional Improved Real Property, and (ii) if such Additional Improved Real Property is in a special flood hazard area, (A) a notice acknowledged by the Borrower of that fact and (if applicable) that flood insurance coverage is not available and (B) if flood insurance is available in the community in which such Additional Improved Real Property is located, a policy of flood insurance in compliance with Flood Insurance Laws. To the extent that any such Additional Improved Real Property is subject to the provisions of the Flood Insurance Laws, upon the earlier of (i) twenty (20) Business Days from the date the information required by the immediately preceding sentence is provided to the Lenders and (ii) receipt by the Administrative Agent of a notice from each Lender (which may be delivered electronically) that such Lender has completed all necessary flood insurance diligence with respect to such Additional Improved Real Property, the Administrative Agent may permit the execution and delivery of the applicable Mortgage in favor of the Administrative Agent.

Section 5.13 Compliance with Terms of Leaseholds. Make all payments and otherwise perform all obligations in respect of all leases of real property to which the Borrower or any of the other Credit Parties or their Subsidiaries is a party, keep such leases in full force and effect and not allow such leases to lapse or be terminated or any rights to renew such leases to be forfeited or cancelled, provide to the Administrative Agent evidence of the exercise of any renewal rights with respect to any such leases, notify the Administrative Agent of any default by any party with respect to such leases, and cooperate with the Administrative Agent in all respects to cure any such default, and cause each of its Subsidiaries to do so, except, in any case, where the failure to do so, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.14 Compliance with Agreements; Maintenance of Material Contracts. (a) Comply with all agreements, contracts and instruments binding on it or affecting its properties or business (other than a Material Affiliate Contract), including, without limitation, each Material Contract (other than a Material Affiliate Contract), and maintain each Material Contract (other than a Material Affiliate Contract) in full force and effect (after giving effect to any amendments, substitutions, replacements, renewals, restatements or similar modifications, in each case, pursuant to Section 6.11(c)), except in each case to the extent that such noncompliance or termination could not reasonably be expected to have a Material Adverse Effect or otherwise be materially adverse to the Lenders, and (b) comply with and maintain each Material Affiliate Contract in full force and effect (after giving effect to any amendments, substitutions, replacements, renewals, restatements or similar modifications, in each case, pursuant to Section 6.11(c)), except to the extent that the Administrative Agent has provided its prior written consent (not to be unreasonably withheld) to the Borrower of any such noncompliance or termination.

Section 5.15 Use of Proceeds. The proceeds of the Extensions of Credit under the Revolving Facility (including pursuant to the Incremental Revolving Commitments, subject to the occurrence of the Specified Acquisition Closing Date) from and after the Initial Effective Date (as defined in the Increase Agreement and Amendment) shall only be used by the Borrower to (a) finance the consummation of the acquisition and transactions contemplated by the Specified Asset Purchase Agreement in accordance with and subject to the terms of the Credit Agreement, (b) to pay any costs, fees, commissions, and expenses of the Credit Parties incurred in connection with this Agreement and (c) for working capital and other general business purposes, including without limitation, to finance permitted capital expenditures and Permitted Acquisitions.

Section 5.16 Further Assurances. Upon the reasonable request of the Administrative Agent, promptly perform or cause to be performed any and all acts and execute or cause to be executed any and all documents for filing under the provisions of the UCC or any other Requirement of Law which are necessary or advisable to maintain in favor of the Administrative Agent, for the benefit of the Secured Parties, Liens on the Collateral that are duly perfected in accordance with the requirements of, or the obligations of the Credit Parties under, the Credit Documents and all applicable Requirements of Law.

Section 5.17 Preparation of Environmental Reports.

(a) Phase I Reports. Based upon the review of the Phase I Reports, the Administrative Agent may require the Borrower to promptly undertake and complete, at its sole cost and expense, whatever additional investigation or remediation the Administrative Agent or the Required Lenders may reasonably request, but in no event shall any such request require any action that would not otherwise be required to comply with Section 5.8.

(b) Additional Environmental Reports. At the request of the Administrative Agent (acting only at the written direction of the Required Lenders) from time to time, provide, at the expense of the Borrower, to the Administrative Agent within sixty (60) days after the Administrative Agent has made a request for such report or data setting forth a basis for the request, a reasonable and customary environmental site assessment report or other reasonable environmental data for any of its properties described in such request, indicating the presence or absence of Materials of Environmental Concern or any violation of Environmental Laws and the

estimated cost of any compliance, removal or remedial action in connection with any Materials of Environmental Concern on such properties prepared by an environmental consulting firm of nationally recognized standing selected by the Borrower and reasonably acceptable to the Administrative Agent (taking into account the internal policies of the Lenders concerning environmental reviews and engagement of environmental consultants); without limiting the generality of the foregoing, if the Administrative Agent after consultation with the Borrower reasonably determines at any time that a material risk exists that any such report will not be provided within the time referred to above, the Administrative Agent may, in lieu of requiring the Borrower to provide such report within the time referred to above, retain an environmental consulting firm of nationally recognized standing to prepare such report at the expense of the Borrower (a copy of which will be provided to the Borrower at its request), and the Borrower hereby grants and agrees to cause any Subsidiary that owns any property described in such request to grant at the time of such request to the Administrative Agent, the Lenders, such firm and any agents or representatives thereof an irrevocable non-exclusive license, subject to the rights of tenants, to enter on their respective properties to undertake such an assessment. Within ten (10) days after receipt or finalization thereof, the Credit Parties shall deliver to the Administrative Agent any other environmental reports prepared by or on behalf of the Credit Parties in the ordinary course of business.

Section 5.18 Mortgages; Primary Banking; Insurance Endorsements; Control Agreements.

(a) Real Property Matters. Upon the request of the Administrative Agent, with respect to any or all of the real property owned by such Credit Party, each Credit Party shall have delivered to the Administrative Agent within 30 days after such request (or such longer period as agreed to in writing by the Administrative Agent in its sole discretion) all of the following with respect to such owned real property:

(i) a Mortgage Instrument in form and substance satisfactory to the Administrative Agent duly executed by an authorized officer of such Credit Party;

(ii) an American Land Title Association (ALTA) mortgagee title insurance policy or policies, or unconditional commitments therefor (a "Title Policy") issued by a title insurance company reasonably satisfactory to the Administrative Agent (a "Title Company"), in an amount not less than the amount reasonably required therefor by the Administrative Agent (taking into account the estimated value of the property involved), insuring fee simple title to such real property vested in the applicable Credit Party and assuring the Administrative Agent that the applicable Mortgage Instrument creates a valid and enforceable first priority mortgage lien on the respective real property encumbered thereby, subject only to Permitted Liens, which Title Policy (1) shall include an endorsement for mechanics' liens, for revolving, "variable rate" and future advances under this Agreement and for any other matters reasonably requested by the Administrative Agent, and (2) shall provide for affirmative insurance and such reinsurance as the Administrative Agent may reasonably request, all of the foregoing in form and substance reasonably satisfactory to the Administrative Agent;

(iii) a title report issued by the Title Company with respect thereto, dated not more than 30 days prior to the date of execution of the applicable Mortgage Instrument and satisfactory in form and substance to the Administrative Agent;

(iv) copies of all recorded documents listed as exceptions to title or otherwise referred to in the Title Policy or in such title report relating to such real property;

(v) such other documents required by Section 5.12(c);

(vi) to the extent reasonably requested by the Administrative Agent, a survey, in form and substance reasonably satisfactory to the Administrative Agent, of such real property, certified in a manner satisfactory to the Administrative Agent by a licensed professional surveyor reasonably satisfactory to the Administrative Agent;

(vii) a certificate of the Borrower identifying any Phase I, Phase II or other environmental report received in draft or final form by any Credit Party during the five year period prior to the date of execution of the Mortgage Instrument relating to such real property and/or the operations conducted therefrom, or stating that no such draft or final form reports have been requested or received by any Credit Party (or its counsel), together with true and correct copies of all such environmental reports so listed (in draft form, if not finalized);

(viii) an opinion of local counsel admitted to practice in the jurisdiction in which such real property is located, reasonably satisfactory in form and substance to the Administrative Agent, as to the validity and effectiveness of such Mortgage Instrument as a lien on such real property encumbered thereby, and covering such other matters of law in connection with the execution, delivery, recording and enforcement of such Mortgage Instrument as the Administrative Agent may reasonably request; and

(ix) with respect to each Operating Lease, a duly executed subordination agreement in form and substance satisfactory to the Administrative Agent; provided that, the Credit Parties shall not be required to deliver such subordination agreement to the Administrative Agent if, after using commercially reasonable efforts, the Credit Parties were unable to obtain a duly executed counterpart of such subordination agreement from the lessee under such Operating Lease.

(b) Within 90 days following the Closing Date (or such longer period as agreed to in writing by the Administrative Agent in its sole discretion), the Credit Parties shall establish and maintain their primary banking relationship (including, without limitation, the establishment of transaction-related bank accounts, main operating accounts and treasury management and investment accounts) with Capital One and its Affiliates. Once established, the Credit Parties shall at all times maintain such primary banking relationship with Capital One. Notwithstanding the foregoing, the Borrower may maintain the account described in Section 6.2(r) with financial institutions other than Capital One or any Affiliate of Capital One.

(c) Within 30 days following the Closing Date (or such longer period as agreed to in writing by the Administrative Agent in its sole discretion), the Credit Parties shall have

delivered to the Administrative Agent endorsements, in form and substance reasonably satisfactory to the Administrative Agent, naming the Administrative Agent as additional insured or lender's loss payee, as applicable, with respect to the general liability, pollution liability and property and casualty insurance policies applicable to the Credit Parties and their assets.

(d) Within 30 days following the Closing Date (or such longer period as agreed to in writing by the Administrative Agent in its sole discretion), the Credit Parties shall have delivered to the Administrative Agent Deposit Account Control Agreements satisfactory to the Administrative Agent to the extent required to be delivered pursuant to the terms hereof or the other Security Documents.

ARTICLE VI

NEGATIVE COVENANTS

Each of the Credit Parties hereby covenants and agrees that on the Closing Date, and thereafter (a) for so long as this Agreement is in effect, (b) until the Commitments have terminated, (c) the Obligations and all other amounts owing to the Administrative Agent or any Lender hereunder are paid in full in cash, that:

Section 6.1 Indebtedness. No Credit Party will, nor will it permit any Subsidiary to, contract, create, incur, assume or permit to exist any Indebtedness, except:

(a) Indebtedness arising or existing under this Agreement and the other Credit Documents;

(b) [Reserved];

(c) Indebtedness of the Credit Parties and their Subsidiaries incurred after the Closing Date consisting of Capital Leases or Indebtedness incurred to provide all or a portion of the purchase price or cost of construction of an asset in an aggregate amount not to exceed \$2,500,000 at any time outstanding;

(d) unsecured intercompany Indebtedness among the Credit Parties;

(e) Indebtedness and obligations owing under Hedging Agreements entered into to manage existing or anticipated interest rate, exchange rate or commodity price risks and not for speculative purposes;

(f) Indebtedness arising from agreements providing for indemnification and purchase price adjustment obligations or similar obligations, or from guarantees or letters of credit, surety bonds or performance bonds securing the performance of any Credit Party or its Subsidiaries pursuant to such agreements, in connection with Dispositions, other sales of assets or Permitted Acquisitions, in each case, expressly permitted under this Agreement;

(g) Guaranty Obligations in respect of Indebtedness of a Credit Party to the extent such Indebtedness is permitted to exist or be incurred pursuant to this Section;

(h)Indebtedness incurred to finance the payment of insurance premiums incurred in the ordinary course of business;

(i)any guarantee of the obligations of any Credit Party as a tenant under any lease (which lease is not a Capital Lease) or a purchaser in connection with any Permitted Acquisition;

(j)Indebtedness owed in respect of overdrafts and related liabilities arising in the ordinary course of business from treasury, depository and cash management services or from automated clearing-house transfers of funds;

(k)Indebtedness consisting of obligations under deferred compensation arrangements, and non-competition agreements, incurred in the ordinary course of business;

(l)Indebtedness consisting of obligations under adjustments of purchase price, earn- outs or similar arrangements in an aggregate amount not to exceed \$2,500,000 at any time;

(m)the PNC Term Loan and the guarantee of the PNC Term Loan by GPM Opco and any renewals, refinancings or extensions thereof in a principal amount not in excess of that outstanding as of the date of such renewal, refinancing or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and the direct or any contingent obligor with respect thereto, is not changed as a result of or in connection with such renewal, refinancing or extension, and the terms of any such renewal, refinancing or extension, taken as a whole, are not less favorable to the obligor thereunder;

(n)Indebtedness in respect of performance, surety or appeal bonds provided in the ordinary course of business;

(o)Indebtedness in respect of take-or-pay obligations of the Borrower or any of its Subsidiaries contained in supply arrangements, in each case, in the ordinary course of business;

(p)Indebtedness of any Person that becomes a Subsidiary of the Borrower or another Credit Party after the date hereof in accordance with the terms of Section 6.5, which Indebtedness is existing at the time such Person becomes a Subsidiary of the Borrower (other than Indebtedness incurred solely in contemplation of such Person's becoming a Subsidiary of the Borrower);

(q)Indebtedness constituting unsecured Subordinated Debt, provided that (i) no Default or Event of Default shall then exist or immediately after incurring any of such Indebtedness will exist, (ii) the documentation with respect to such Indebtedness shall be in form and substance satisfactory to the Administrative Agent, (iii) the Borrower and its Subsidiaries shall be in compliance with the financial covenants set forth in Section 5.9 both immediately before and after giving pro forma effect to the incurrence of such Indebtedness, and (iv) the aggregate outstanding principal amount of Indebtedness permitted by this subpart (q) shall not exceed \$2,500,000 at any time;

(r) additional unsecured Indebtedness of the Borrower or any of its Subsidiaries, provided that the aggregate outstanding principal amount of all such Indebtedness does not exceed 2,500,000; and

(s) Indebtedness under clause (n) of the definition thereof to extent such Indebtedness arises under Fuel Supply Contracts with non-Affiliates in an aggregate amount not to exceed \$5,000,000 at any time (it being agreed that the outstanding amount of such Indebtedness shall be calculated net of advances for branding expenses paid to the applicable Credit Party by a counterparty to one or more new Fuel Supply Contracts to replace in whole or in part any such terminated Fuel Supply Contracts).

Section 6.2 Liens. The Credit Parties will not, nor will they permit any Subsidiary to, contract, create, incur, assume or permit to exist any Lien with respect to any of their respective property or assets of any kind (whether real or personal, tangible or intangible), whether now existing or hereafter acquired, except for the following (the “Permitted Liens”):

(a) Liens created by or otherwise existing or arising under or in connection with this Agreement or the other Credit Documents in favor of the Administrative Agent on behalf of the Secured Parties;

(b) Liens securing purchase money Indebtedness and Capital Lease Obligations (and refinancings thereof) to the extent permitted under Section 6.1(c); provided, that (i) any such Lien attaches to such property concurrently with or within thirty (30) days after the acquisition thereof and (ii) such Lien attaches solely to the property so acquired in such transaction;

(c) Liens for taxes, assessments, charges or other governmental levies not yet due or as to which the period of grace (not to exceed sixty (60) days), if any, related thereto has not expired or which are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of any Credit Party or its Subsidiaries, as the case may be, in conformity with GAAP;

(d) statutory Liens such as carriers’, warehousemen’s, mechanics’, materialmen’s, landlords’, repairmen’s or other like statutory Liens arising in the ordinary course of business securing obligations which are not overdue for a period of more than thirty (30) days or which are being contested in good faith by appropriate proceedings; provided that a reserve or other appropriate provision shall have been made therefor;

(e) pledges or deposits in connection with workers’ compensation, unemployment insurance and other social security legislation (other than any Lien imposed by ERISA) and deposits securing liability to insurance carriers under insurance or self-insurance arrangements;

(f) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) Liens arising by virtue of Uniform Commercial Code financing statement filings (i) regarding Operating Leases entered into by the Borrower or any of its Subsidiaries in

the ordinary course of business; (ii) filed in error; or (iii) filed by a Person not authorized to make such filings;

(h) easements, rights of way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(i) Liens existing on the Closing Date and set forth on Schedule 6.2; provided that (i) no such Liens shall at any time be extended to cover property or assets other than the property or assets subject thereto on the Closing Date and improvements thereon and (ii) the principal amount of the Indebtedness secured by such Lien shall not be extended, renewed, refunded or refinanced except to the extent permitted pursuant to this Agreement;

(j) Liens arising in the ordinary course of business by virtue of any contractual, statutory or common law provision relating to banker's Liens, rights of set-off or similar rights and remedies covering deposit or securities accounts (including funds or other assets credited thereto) or other funds maintained with a depository institution or securities intermediary;

(k) any zoning, building or similar laws or rights reserved to or vested in any Governmental Authority;

(l) restrictions on transfers of securities imposed by applicable Securities Laws;

(m) Liens arising out of judgments or awards not resulting in an Event of Default; provided that the applicable Credit Party or Subsidiary shall in good faith be prosecuting an appeal or proceedings for review;

(n) any interest or title of a lessor, licensor or sublessor under any lease, license or sublease entered into by any Credit Party or any Subsidiary thereof in the ordinary course of its business and covering only the assets so leased, licensed or subleased;

(o) Liens in favor of the Administrative Agent, Issuing Lender and/or Swingline Lender to Cash Collateralize or otherwise secure the obligations of a Defaulting Lender to fund risk participations hereunder;

(p) Liens granted in the ordinary course of business on the unearned portion of insurance premiums and on any loss payments which reduce the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under Section 6.1(h);

(q) leases, subleases, licenses and sublicenses of assets, in each case, entered into by the Borrower or any of its Subsidiaries in the ordinary course of business;

(r) Liens (i) on cash or Cash Equivalents (and any related deposit and/or securities account(s)) pledged to secure the PNC Term Loan and the other obligations arising under the PNC Term Loan Documents existing on the Closing Date, so long as, on the Closing Date, the value of such cash or Cash Equivalents does not exceed the outstanding principal amount of the

PNC Term Loan on the Closing Date, and (ii) on additional cash or Cash Equivalents hereinafter pledged to secure the PNC Term Loan to the extent such additional cash or Cash Equivalents are required to maintain after the date hereof the aggregate value of cash or Cash Equivalents securing the PNC Term Loan in an amount equal to the outstanding principal amount of the PNC Term Loan on the Closing Date;

(s)Liens for the benefit of non-Affiliate counterparties to fuel supply agreements entered into in the ordinary course of business on deposits, funds, credits, credit card settlement accounts or other property of a similar scope and nature, which Liens secure the Borrower's or the applicable Subsidiary's obligations under such fuel supply agreements;

(t)Liens on advances of cash or Cash Equivalents in favor of any non-Affiliate seller of any property purchased by the Borrower or any of its Subsidiaries in a Material Acquisition that has been approved in writing by the Required Lenders, which advances are to be applied against the purchase price for such Material Acquisition;

(u)Liens on advances of cash or Cash Equivalents in an aggregate amount not to exceed \$3,000,000 at any time in favor of any non-Affiliate seller of any property purchased by the Borrower or any of its Subsidiaries in a Permitted Acquisition (other than a Material Acquisition), which advances are to be applied against the purchase price for such Permitted Acquisition; and

(v)additional Liens so long as the principal amount of Indebtedness and other obligations secured thereby does not exceed \$2,500,000 in the aggregate.

Notwithstanding the foregoing, if a Credit Party grants a Lien on any of its assets in violation of this Section, then it shall be deemed to have simultaneously granted an equal and ratable Lien on any such assets in favor of the Administrative Agent for the ratable benefit of the Secured Parties, to the extent such Lien has not already been granted to the Administrative Agent.

Section 6.3 Nature of Business. Except as otherwise expressly provided in this Agreement, no Credit Party will, nor will it permit any Subsidiary to, materially alter the character of its business in any material respect from that conducted as of the Closing Date and any business substantially related or incident thereto.

Section 6.4 Consolidation, Merger, Sale of Assets, etc. The Credit Parties will not, nor will they permit any Subsidiary to,

(a)dissolve, liquidate or wind up its affairs, or sell, transfer, lease or otherwise dispose of its property or assets (each a "Disposition") or agree to do so at a future time, except that if no Default or Event of Default shall have occurred and be continuing or would result therefrom the following, without duplication, shall be expressly permitted:

(i)(A) the sale of inventory in the ordinary course of business; (B) the conversion of cash into Cash Equivalents and Cash Equivalents into cash; and (C) leases, subleases, rights of way, easements, licenses, and sublicenses that, individually and in the aggregate, do not materially interfere with the ordinary

conduct of the business of the Borrower or its Subsidiaries or do not materially detract from the value or the use of the property which they affect;

(ii) the sale, lease, transfer or other disposition of machinery, parts and equipment no longer used or useful in the conduct of the business of the Credit Parties or any of their Subsidiaries or worn out or obsolete machinery, parts and equipment;

(iii)(x) the sale, lease or transfer of property or assets from one Credit Party to another Credit Party, including by way of merger, or (y) dissolution of any Credit Party (other than the Borrower) to the extent any and all assets of such Credit Party are distributed to another Credit Party;

(iv) Dispositions of any fixed asset to the extent that (i) such fixed asset is exchanged for credit against the purchase price of a similar replacement fixed asset or (ii) the proceeds of such Disposition are substantially contemporaneously applied to the purchase price of any similar replacement fixed asset;

(v) Dispositions pursuant to clause (b) of this Section;

(vi) Dispositions of the PNC Term Loan collateral to the extent permitted by the PNC Term Loan Documents (including any mandatory prepayments required thereunder);

(vii) Dispositions of property or assets in connection with the formation or operation of joint ventures in accordance with Section 6.5, and Dispositions of Investments in joint ventures; and

(viii) the sale, lease or transfer of property or assets not to exceed (x) \$2,000,000 in the aggregate in any fiscal year and (y) \$5,000,000 in the aggregate during the term of this Agreement so long as in each case the consideration for each such sale, lease or transfer represents fair market value and at least 75% of such consideration consists of cash; or

(b) enter into any transaction of merger or consolidation, except for (i) Investments or acquisitions permitted pursuant to Section 6.5 so long as the Credit Party subject to such merger or consolidation is the surviving entity, (ii) (y) the merger or consolidation of a Subsidiary that is not a Credit Party with and into a Credit Party; provided that such Credit Party will be the surviving entity or the surviving entity executes and delivers a Joinder Agreement and (z) the merger or consolidation of a Credit Party with and into another Credit Party; provided that if the Borrower is a party thereto, the Borrower will be the surviving corporation, and (iii) the merger or consolidation of a Subsidiary that is not a Credit Party with and into another Subsidiary that is not a Credit Party.

Section 6.5 Investments, Loans and Acquisitions. The Credit Parties will not, nor will they permit any Subsidiary to, make any Investment or agree to make any Investment except for the following (the "Permitted Investments"):

(a) cash and Cash Equivalents;

(b) [Reserved];

(c) receivables owing to the Credit Parties or any of their Subsidiaries or any receivables and advances to suppliers, in each case if created, acquired or made in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(d) Investments in and loans to any Credit Party;

(e) loans and advances to officers, directors and employees in an aggregate amount not to exceed \$100,000 at any time outstanding; provided that such loans and advances shall comply with all applicable Requirements of Law (including Sarbanes-Oxley);

(f) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;

(g) Permitted Acquisitions;

(h) (i) Investments in and loans to any Subsidiary which is not a Credit Party, (ii) Investments in the form of loans to Affiliates of the Borrower who are not Credit Parties, and (iii) Investments in the form of loans to purchasers in connection with any Disposition permitted pursuant to Section 6.4; provided that, with respect to the foregoing Investments set forth in this clause (h), the aggregate amount of all such Investments shall not exceed \$2,500,000 at any time outstanding;

(i) Guarantees permitted by Section 6.1;

(j) Investments consisting of any deferred portion of the sales price received by the Borrower or any Subsidiary in connection with any Disposition permitted pursuant to Section 6.4; and

(k) additional loan advances and/or Investments of a nature not contemplated by the foregoing clauses hereof; provided that such loans, advances and/or Investments made after the Closing Date pursuant to this clause shall not exceed an aggregate amount of \$2,500,000 at any one time outstanding.

Section 6.6 Transactions with Affiliates. The Credit Parties will not, nor will they permit any Subsidiary to, enter into any transaction or series of transactions, whether or not in the ordinary course of business, with any officer, director, shareholder or Affiliate other than on terms and conditions substantially as favorable as would be obtainable in a comparable arm's-length transaction with a Person other than an officer, director, shareholder or Affiliate, other than (a) transactions solely between or among Credit Parties, (b) any Restricted Payment permitted by Section 6.10; (c) any employment or compensation agreement, deferred compensation plans, employee benefits plan, equity incentive or equity-based plans, profits interests, officer, supervisor and director indemnification agreements or insurance, stay bonuses, severance or

similar agreements and arrangements, in the ordinary course of business, (d) reasonable and customary director, officer, supervisor and employee fees and compensation and other benefits (including retirement, health, stock option and other benefit plans) and indemnification arrangements; (e) at any time after the date on which the IPO is completed, any transaction approved by the Conflicts Committee of the Board of Directors of the General Partner of the Borrower, which Conflicts Committee shall consist exclusively of directors considered “independent” of the Credit Parties and their Affiliates in accordance with the criteria set forth in Section 303A of the New York Stock Exchange Manual (and such Conflicts Committee will be comprised of at least two (2) “independent” directors (or such greater number required by the New York Stock Exchange) (the “Conflicts Committee”)), shall be deemed, for purposes of this Agreement, to be on terms and conditions substantially as favorable as would be obtainable on a comparable arm’s-length transaction with a person other than an officer, director, shareholder or Affiliate of the Credit Parties and their respective Subsidiaries; and (f) the transactions expressly described in the Omnibus Agreement, provided that notwithstanding anything to the contrary in the Omnibus Agreement the Administrative Fee (as defined therein on the date hereof) shall not be increased to an amount in excess of \$1,500,000 without the prior written consent of the Required Lenders.

Section 6.7 Ownership of Subsidiaries; Restrictions. The Credit Parties will not, nor will they permit any Subsidiary to, create, form or acquire any Subsidiaries, except for Subsidiaries that (i) become Credit Parties and enter into a Joinder Agreement as required by the terms hereof or (ii) constitute Foreign Subsidiaries that are created or acquired in connection with Permitted Acquisitions. The Credit Parties will not sell, transfer, pledge or otherwise dispose of any Equity Interests in any of their Subsidiaries, nor will they permit any of their Subsidiaries to issue, sell, transfer, pledge or otherwise dispose of any of their Equity Interests, except in a transaction permitted by Section 6.4.

Section 6.8 Corporate Changes. No Credit Party shall (a) (i) except as permitted under Section 6.4, alter its legal existence or, in one transaction or a series of transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets, (ii) change its state of incorporation or organization without providing thirty (30) days’ prior written notice to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent) and without filing (or confirming that the Administrative Agent has filed) such financing statements and amendments to any previously filed financing statements as the Administrative Agent may require, or (iii) change its registered legal name without providing thirty (30) days’ prior written notice to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent) and without filing (or confirming that the Administrative Agent has filed) such financing statements and amendments to any previously filed financing statements as the Administrative Agent may require, (b) have more than one state of incorporation, organization or formation or (c) change its accounting method (except in accordance with GAAP) in any manner adverse to the interests of the Lenders without the prior written consent of the Required Lenders.

Section 6.9 Limitation on Restricted Actions. The Credit Parties will not, nor will they permit any Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any such Person to (a) pay dividends or make any other distributions to any Credit Party on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits, (b) pay any Indebtedness or

other obligation owed to any other Credit Party, (c) make loans or advances to any other Credit Party, (d) sell, lease or transfer any of its properties or assets to any other Credit Party, or (e) act as a Guarantor and pledge its assets pursuant to the Credit Documents or any renewals, refinancings, exchanges, refundings or extension thereof or amend or otherwise modify the Credit Documents, except for such encumbrances or restrictions existing under or by reason of (i) this Agreement and the other Credit Documents and the PNC Term Loan Documents, (ii) applicable law, (iii) any document or instrument governing Indebtedness incurred pursuant to Section 6.1(c) so long as any such restriction contained therein relates only to a limitation on the ability of such Person to grant a Lien on the asset or assets constructed or acquired in connection therewith, (iv) any document or instrument governing any Permitted Lien so long as any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien, (v) customary non-assignment provisions in leases, licenses, permits and other agreements entered into in the ordinary course of business, (vi) obligations that are binding on a Person at the time such Person first becomes a Subsidiary of the Borrower or any of the other Credit Parties, or (vii) customary restrictions contained in an agreement relating to a Disposition that limit the transfer of encumbrances of the property or assets relating to such Disposition pending consummation thereof so long as any such restriction contained therein relates only to the asset or assets subject to such Disposition.

Section 6.10 Restricted Payments. The Credit Parties will not, nor will they permit any Subsidiary to, directly or indirectly, declare, order, make or set apart any sum for or pay any Restricted Payment, except:

(a) to make dividends or other distributions payable solely in the same class of Equity Interests of such Person;

(b) to make dividends or other distributions payable to the Credit Parties or Subsidiaries of the Credit Parties which are the parent companies of such Subsidiary (directly or indirectly through its Subsidiaries);

(c) so long as no Default or Event of Default then exists and is continuing or would result therefrom, (i) at any time on or prior to the date on which the IPO is completed, the Borrower may make Restricted Payments up to the amount of Available Cash (as defined in the Partnership Agreement as of the Closing Date) from cash generated other than from an incurrence of Loans hereunder and (ii) after the date on which the IPO is completed, the Borrower may make Restricted Payments in accordance with the cash distribution policy adopted by the General Partner pursuant to any amendment, restatement or replacement of the Partnership Agreement approved in writing by the Administrative Agent;

(d) to purchase, redeem or otherwise acquire its Equity Interests with the proceeds received from a substantially concurrent issuance of new Equity Interests (other than Disqualified Equity);

(e) to redeem or convert its Equity Interests or make any payment, in each case, in connection with any employee benefit plan or arrangement sponsored by the Credit Parties entered into in the ordinary course of business;

(f) to repurchase the Preferred A Units of the Borrower as long as (i) no Default or Event of Default then exists and is continuing or would result therefrom, (ii) the pro forma Consolidated Total Leverage Ratio will be less than 3.75 to 1.00 and (iii) the pro forma Liquidity will be greater than 20% of the aggregate Revolving Commitments, in each case, after giving effect to such redemption or repurchase, as certified by a Responsible Officer of the Borrower with reasonably detailed calculations on a schedule to such certificate; and

(g) the Borrower may pay any Restricted Payment within sixty (60) days after the date of declaration thereof, if at the date of declaration such Restricted Payment would have otherwise been permitted to be made under this [Section 6.10](#) unless a Specified Default or a Material Event has occurred and is continuing at the time such Restricted Payment is to be made, or would occur after giving effect to the making of such Restricted Payment.

Section 6.11 Amendments to Organization Documents, Material Contracts, or Fiscal Year End; Prepayments of other Indebtedness.
The Credit Parties will not, nor will they permit any Subsidiary to, without the prior written consent of the Required Lenders,

(a) amend, modify, waive or extend or permit the amendment, modification, waiver or extension of any term of any PNC Term Loan Document or any document governing or relating to any Subordinated Debt, in each case, in any manner that would be adverse to the Lenders;

(b) amend, supplement or otherwise modify or replace or terminate (or permit to be amended, supplemented or modified or replaced or terminated) its Organization Documents in any manner that would be materially adverse to the Lenders;

(c)(i) amend, supplement or otherwise modify or replace or terminate (or permit to be amended, supplemented or modified or replaced or terminated) or waive any of its rights under the Omnibus Agreement or any other Material Contract with an Affiliate (collectively, "[Material Affiliate Contracts](#)") without the prior written consent of the Administrative Agent not to be unreasonably withheld (provided that this clause shall not restrict the replacement of the Omnibus Agreement in connection with the IPO in accordance with the definition of "Omnibus Agreement"), (ii) amend, supplement or otherwise modify or replace or terminate (or permit to be amended, supplemented, modified, replaced or terminated) any Material Contract (other than a Material Affiliate Contract) to the extent such amendment, waiver or modification is materially adverse to the Lenders, (iii) assign to any Person (other than any other Credit Party) any of its rights under any Material Contract unless otherwise permitted under [Section 6.4\(a\)\(iii\)](#) or [Section 6.4\(b\)](#), or (iv) waive any of its rights of material value under any Material Contract (other than a Material Affiliate Contract) to the extent such waiver is materially adverse to the Lenders;

(d) change the last day of its fiscal year from December 31 of each year, or the last days of the first three fiscal quarters in each of its fiscal years from March 31, June 30 and September 30 of each year, respectively; or

(e) make (or give any notice in respect of) any payment or prepayment of principal of, premium, if any, or interest on, redemption, purchase, retirement, defeasance, sinking fund or similar payment with respect to any Subordinated Debt.

Section 6.12 Hedging Agreements. The Credit Parties will not, nor will they permit any Subsidiary to, enter into any Hedging Agreements with any Person other than other Hedging Agreements in respect of commodities or interest rates that are entered into for the purpose of hedging exposure to interest rates or commodity price risk (including basis risk) and that are not for speculative purposes. In no event shall any Hedging Agreement contain any requirement, agreement or covenant for any Credit Party to maintain or post collateral (other than pursuant to a Security Document) or margin to secure its obligations under such Hedging Agreement or to cover market exposures.

Section 6.13 Sale and Leaseback. The Credit Parties shall not, nor shall they permit any Subsidiary to, enter into any arrangement, directly or indirectly, with any Person whereby it sells or transfers any property, whether now owned or hereafter acquired, and thereafter rent or lease such property which it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

Section 6.14 Anti-Terrorism Laws. No Credit Party nor any of their respective Subsidiaries shall be subject to or in violation of any law, regulation, or list of any government agency (including, without limitation, the U.S. Office of Foreign Asset Control list, Executive Order No. 13224 or the Patriot Act) that prohibits or limits the conduct of business with or the receiving of funds, goods or services to or for the benefit of certain Persons specified therein or that prohibits or limits any Lender from making any advance or extension of credit to the Borrower or from otherwise conducting business with the Borrower or any other Credit Party.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.1 Events of Default. An Event of Default shall exist upon the occurrence of any of the following specified events (each an “Event of Default”):

(a) Payment. (i) The Borrower fails to pay any principal on any Loan or Note when due (whether at maturity, by reason of acceleration or otherwise) in accordance with the terms hereof or thereof; or (ii) the Borrower fails to reimburse the Issuing Lender for any LOC Obligations when due (whether at maturity, by reason of acceleration or otherwise) in accordance with the terms hereof; or (iii) the Borrower fails to pay any interest on any Loan or any fee or other amount payable hereunder when due (whether at maturity, by reason of acceleration or otherwise) in accordance with the terms hereof and such failure shall continue unremedied for three (3) Business Days; or (iv) or any Guarantor shall fail to pay on the Guaranty in respect of any of the foregoing or in respect of any other Guaranty Obligations hereunder (after giving effect to the grace period in clause (iii)); or

(b) Misrepresentation. Any representation or warranty made or deemed made either (i) herein shall prove to have been incorrect, false or misleading in any material respect (except to the extent such representations or warranties are qualified by materiality as written in which case, the same shall be true as written) on or as of the date made or deemed made or (ii) in the other Credit Documents or which is contained in any certificate, document or financial or other statement furnished at any time under or in connection with this Agreement shall prove to have

been incorrect, false or misleading in any material respect (except to the extent such representations or warranties are qualified by materiality as written in which case, the same shall be true as written) on or as of the date made or deemed made; or

(c)Covenant Default.

(i) Any Credit Party fails to perform, comply with or observe any term, covenant or agreement applicable to it contained in any of Section 5.1, Section 5.2(a), Section 5.3, Section 5.4, Section 5.5(a), Section 5.7, Section 5.9, Section 5.10, Section 5.12, Section 5.14, Section 5.15, Section 5.17 or Section 5.18 or Article VI; or

(ii) Any Credit Party fails to comply with any other covenant contained in this Agreement or the other Credit Documents or any other agreement, document or instrument among any Credit Party, the Administrative Agent and the Lenders or executed by any Credit Party in favor of the Administrative Agent or the Lenders (other than as described in Section 7.1(a) or Section 7.1(c)(i) above) and, with respect to this clause (ii) only, such breach or failure to comply is not cured within thirty (30) days of its occurrence; or

(d)Indebtedness Cross-Default. (i) Any Credit Party or any of its Subsidiaries defaults in any payment of principal of or interest on any Indebtedness (other than the Indebtedness pursuant to the Credit Documents) in a principal amount outstanding of at least \$2,500,000 for the Credit Parties and any of their Subsidiaries in the aggregate beyond any applicable grace period (not to exceed thirty (30) days), if any, provided in the instrument or agreement under which such Indebtedness was created; or (ii) any Credit Party or any of its Subsidiaries defaults in the observance or performance of any other agreement or condition relating to any Indebtedness (other than the Indebtedness pursuant to the Credit Documents) in a principal amount outstanding of at least \$2,500,000 in the aggregate for the Credit Parties and their Subsidiaries or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs or condition exists, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or to be repurchased, prepaid, deferred or redeemed (automatically or otherwise); or (iii) any Credit Party or any of its Subsidiaries breaches or defaults any payment obligation under any Hedging Agreement which breach or default remains unremedied for five (5) Business Days and, with respect to clause (iii) above, as a result of which the swap termination value owed by any such Person exceeds \$2,500,000; or

(e)Bankruptcy Default. (i) A Credit Party or any of its Subsidiaries commences any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any

substantial part of its assets, or a Credit Party or any of its Subsidiaries makes a general assignment for the benefit of its creditors; or (ii) there shall be commenced against a Credit Party or any of its Subsidiaries any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there is commenced against a Credit Party or any of its Subsidiaries any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of their assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) a Credit Party or any of its Subsidiaries takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) a Credit Party or any of its Subsidiaries becomes generally not, or becomes unable to, or admits in writing its inability to, pay its debts as they become due; or

(f)Judgment Default. (i) One or more judgments or decrees is entered against a Credit Party or any of its Subsidiaries involving in the aggregate a liability (to the extent not covered by insurance) of \$2,500,000 or more and all such judgments or decrees have not been paid and satisfied, vacated, discharged, stayed or bonded pending appeal within thirty (30) days from the entry thereof or (ii) any injunction, temporary restraining order or similar decree shall be issued against a Credit Party or any of its Subsidiaries that, individually or in the aggregate, could result in a Material Adverse Effect; or

(g)ERISA Default. The occurrence of any of the following: (i) any Person shall engage in any “prohibited transaction” (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any “accumulated funding deficiency” (as defined in Section 302 of ERISA), whether or not waived, shall exist with respect to any Plan or any Lien in favor of the PBGC or a Plan (other than a Permitted Lien) arises on the assets of the Credit Parties or any Commonly Controlled Entity, (iii) a Reportable Event occurs with respect to, or proceedings commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Required Lenders, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Single Employer Plan terminates for purposes of Title IV of ERISA, (v) a Credit Party, any of its Subsidiaries or any Commonly Controlled Entity incurs, or in the reasonable opinion of the Required Lenders is likely to incur, any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, any Multiemployer Plan or (vi) any other similar event or condition occurs or exists with respect to a Plan, in any case, which has had or could reasonably be expected to have a Material Adverse Effect; or

(h)Change of Control. A Change of Control occurs; or

(i)Invalidity of Guaranty. At any time after the execution and delivery thereof, any material provision of the Guaranty, for any reason other than the satisfaction in full of all Obligations, ceases to be in full force and effect (other than in accordance with its terms) or is declared to be null and void, or any Credit Party contests the validity, enforceability, perfection or priority of the Guaranty, any Credit Document, or any Lien granted thereunder in writing or deny

in writing that it has any further liability, including with respect to future advances by the Lenders, under any Credit Document to which it is a party; or

(j)Invalidity of Credit Documents. Any Credit Document fails to be in full force and effect or to give the Administrative Agent and/or the Lenders the security interests, liens, rights, powers, priority and privileges purported to be created thereby (except as such documents are terminated or no longer in force and effect in accordance with the terms thereof, other than those indemnities and provisions which by their terms survive) or any Lien fails to be a first priority, perfected Lien (subject to Permitted Liens) on a material portion of the Collateral; or

(k)Subordinated Debt/PNC Term Loan. Any default (which is not waived or cured within the applicable period of grace) or event of default occurs under (i) any PNC Term Loan Document or (ii) any Subordinated Debt; or the subordination provisions under any Subordinated Debt ceases to be in full force and effect or ceases to give the Lenders the rights, powers and privileges purported to be created thereby; or

(l)Classification as Senior Debt. The Obligations shall cease to be classified as “Senior Indebtedness,” “Designated Senior Indebtedness” or any similar designation under any Subordinated Debt instrument; or

(m)Borrower Distributions/Preferred A Units. At any time Preferred A Units are issued and outstanding, (i) both of the following events have occurred: (A) the Borrower has failed to pay a distribution in respect of each outstanding Preferred A Unit in an amount equal to the Minimum Monthly Distribution (used in this paragraph as defined in the Partnership Agreement as in effect on the date of this Agreement) for any consecutive four calendar months since the Effective Date (used in this paragraph as defined in the Partnership Agreement as in effect on the date of this Agreement) and (B) thereafter, the Borrower has failed to pay a distribution in respect of each outstanding Preferred A Unit in an amount equal to the Minimum Monthly Distribution for any additional five calendar months (whether or not consecutive) or (ii) any mandatory, voluntary or optional right of cash redemption with respect to Preferred A Units is exercised; or

(n)Environmental Indemnity. If (i) the Borrower or any Subsidiary has any liability for any Covered Environmental Losses (as defined in the Omnibus Agreement) and has failed to assert its rights for indemnification under the Omnibus Agreement after a Responsible Officer of such Credit Party has become aware of such liability, (ii) GPM Investments fails to indemnify the Borrower or any of its Subsidiaries, as applicable, after GPM Investments receives demand from the Borrower or any of its Subsidiaries, as applicable, for such indemnification (in each case of clauses (i) and (ii) above, in the manner provided for, and in accordance with the procedures set forth, in Section 3.3 of the Omnibus Agreement), or (iii) the Borrower or any Subsidiary has paid any such liability in cash which has not been reimbursed in full in cash by GPM Investments within 60 days after the Borrower or such Subsidiary, as applicable, has made such payment; or

(o)Purchase Agreement. (i) Any Purchaser Indemnitee (as defined in the Purchase Agreement) suffers Damages (as defined in the Purchase Agreement) as a result of, caused by, arising out of, or in any way relating to (A) any breach of a representation or warranty of any of the GPM Parties (as defined in the Purchase Agreement) in the Purchase Agreement or

in the GPM Closing Certificate or the Partnership Closing Certificate (as such terms are defined in the Purchase Agreement) or (B) any breach of any agreement or covenant in the Purchase Agreement on the part of any of the GPM Parties, (ii) a Claim (as defined in the Purchase Agreement) for Damages is asserted against the Borrower or any payment is made by the Borrower or any of its Subsidiaries in satisfaction of any Claim for Damages asserted under the Purchase Agreement and (iii) such Claim or payment, as applicable, has had or could reasonably be expected to have a Material Adverse Effect.

Section 7.2 Acceleration; Remedies. Upon the occurrence and during the continuance of an Event of Default, then, and in any such event, (a) if such event is a Bankruptcy Event, automatically the Commitments shall immediately terminate and the Loans (with accrued interest thereon), and all other amounts under the Credit Documents (including, without limitation, the maximum amount of all contingent liabilities under Letters of Credit) shall immediately become due and payable, and (b) if such event is any other Event of Default, any or all of the following actions may be taken: (i) with the written consent of the Required Lenders, the Administrative Agent may, or upon the written request of the Required Lenders, the Administrative Agent shall, declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; (ii) the Administrative Agent may, or upon the written request of the Required Lenders, the Administrative Agent shall, declare the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the Notes to be due and payable forthwith and direct the Borrower to pay to the Administrative Agent Cash Collateral as security for the LOC Obligations for subsequent drawings under then outstanding Letters of Credit an amount equal to the maximum amount of which may be drawn under Letters of Credit then outstanding, whereupon the same shall immediately become due and payable; and/or (iii) with the written consent of the Required Lenders, the Administrative Agent may, or upon the written request of the Required Lenders, the Administrative Agent shall, exercise such other rights and remedies as provided under the Credit Documents and under applicable law.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

Section 8.1 Appointment and Authority. Each of the Lenders and the Issuing Lender hereby irrevocably appoints Capital One to act on its behalf as the Administrative Agent hereunder and under the other Credit Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Lender, and neither the Borrower nor any other Credit Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Credit Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 8.2 Nature of Duties. Anything herein to the contrary notwithstanding, none of the bookrunners, Arrangers or other agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Credit Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender, the Swingline Lender or the Issuing Lender hereunder. Without limiting the foregoing, none of the Lenders or other Persons so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Credit Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any subagents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 8.3 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents, and its obligations hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Credit Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the

Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 9.1 and Section 7.2) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by the Borrower, a Lender or an Issuing Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Credit Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Credit Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 8.4Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the Issuing Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender or the Issuing Lender unless the Administrative Agent shall have received notice to the contrary from such Lender or the Issuing Lender prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 8.5Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received written notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a “notice of default.” In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give prompt notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided, however, that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement

expressly requires that such action be taken, or not taken, only with the consent or upon the authorization of the Required Lenders, or all of the Lenders, as the case may be.

Section 8.6 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and the Issuing Lender expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representation or warranty to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of any Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender and the Issuing Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the Issuing Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Credit Document or any related agreement or any document furnished hereunder or thereunder.

Section 8.7 Indemnification. The Lenders severally agree to indemnify the Administrative Agent, the Issuing Lender, and the Swingline Lender in its capacity hereunder and their Affiliates and their respective officers, directors, agents and employees (to the extent not reimbursed by the Credit Parties and without limiting the obligation of the Credit Parties to do so), ratably according to their respective Revolving Commitment Percentages, in effect on the date on which indemnification is sought under this Section, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including, without limitation, at any time following the payment of the Obligations) be imposed on, incurred by, or asserted against any such indemnitee in any way relating to or arising out of any Credit Document or any documents contemplated by or referred to herein or therein or the Transactions or any action taken or omitted by any such indemnitee under or in connection with any of the foregoing; provided, however, that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements to the extent resulting from such indemnitee's gross negligence, bad faith or willful misconduct, as determined by a court of competent jurisdiction. The agreements in this Section shall survive the termination of this Agreement and payment of the Notes, any Reimbursement Obligation and all other amounts payable hereunder.

Section 8.8 Administrative Agent in Its Individual Capacity. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Credit Parties or any Subsidiary or other Affiliate thereof

as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 8.9 Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Lender and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the “Resignation Effective Date”), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and the Issuing Lender, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall nonetheless become effective in accordance with such notice on the Resignation Effective Date.

(a) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor has been so appointed by the Required Lenders and has accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(b) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any Collateral held by the Administrative Agent on behalf of the Lenders or the Issuing Lender under any of the Credit Documents, the retiring Administrative Agent shall continue to hold such Collateral until such time as a successor Administrative Agent is appointed) and (ii) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the Issuing Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this paragraph). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent’s resignation or removal hereunder and under the other Credit Documents, the provisions of this Article and Section 9.5 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties

in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

(c) Any resignation by or removal of Capital One, as Administrative Agent pursuant to this Section shall also constitute its resignation or removal of as Issuing Lender and Swingline Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Issuing Lender and Swingline Lender, (ii) the retiring or removed Issuing Lender and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (iii) the successor Issuing Lender shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring or removed Issuing Lender to effectively assume the obligations of the retiring or removed Issuing Lender with respect to such Letters of Credit.

Section 8.10 Collateral and Guaranty Matters.

(a) The Lenders irrevocably authorize and direct the Administrative Agent:

(i) to release any Lien on any Collateral granted to or held by the Administrative Agent under any Credit Document (A) upon termination of the Commitments and payment in full in cash of all Obligations (other than contingent indemnification obligations for which no claim has been made or cannot be reasonably identified by an Indemnitee based on the then-known facts and circumstances) and the expiration or termination of all Letters of Credit, (B) that is transferred or to be transferred as part of or in connection with any sale or other disposition permitted under Section 6.4, or (C) subject to Section 9.1, if approved, authorized or ratified in writing by the Required Lenders;

(ii) to subordinate any Lien on any Collateral granted to or held by the Administrative Agent under any Credit Document to the holder of any Lien on such Collateral that is permitted by Section 6.2; and

(iii) to release any Guarantor from its obligations under the applicable Guaranty if such Person ceases to be a Guarantor as a result of a transaction permitted hereunder.

(b) In connection with a termination or release pursuant to this Section, the Administrative Agent shall promptly execute and deliver to the applicable Credit Party, at the Borrower's expense, all documents that the applicable Credit Party reasonably requests to evidence such termination or release. Upon request by the Administrative Agent at any time, the Required Lenders shall confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of Collateral, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section.

Section 8.11 [Reserved.]

Section 8.12 Agency for Perfection. The Administrative Agent and each Lender hereby appoints the Administrative Agent and each other Lender as agent and bailee for the purpose of perfecting the security interests in and Liens upon the Collateral in assets that, in accordance with Article 9 of the UCC, can be perfected only by possession or control (or where the security interest of a secured party with possession or control has priority over the security interest of another secured party) and the Administrative Agent and each Lender hereby acknowledges that it holds possession of or otherwise controls any such Collateral for the benefit of the Administrative Agent and the Lenders as secured party. Should any Lender obtain possession or control of any such Collateral, such Lender shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the Administrative Agent or in accordance with the Administrative Agent's instructions. Without limiting the generality of the foregoing, each Lender hereby appoints the Administrative Agent for the purpose of perfecting the Administrative Agent's Liens on all deposit accounts and securities accounts of any Credit Party. Each Credit Party by its execution and delivery of this Agreement hereby consents to the foregoing.

Section 8.13 Proof of Claim. The Lenders and the Credit Parties hereby agree that in case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower or any of the Guarantors, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent has made any demand on the Borrower or any of the Guarantors) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of principal and interest owing and unpaid in respect of the Loans and any other Obligations that are owing and unpaid and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their agents and counsel and all other amounts due the Lenders and the Administrative Agent hereunder) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent consents to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent and other agents hereunder. Nothing herein contained shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lenders or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding. Further, nothing contained in this Section shall affect or preclude the ability of any Lender to (i) file and prove such a claim in the event that the Administrative Agent has not acted

within ten (10) days prior to any applicable bar date and (ii) require an amendment of the proof of claim to accurately reflect such Lender's outstanding Obligations.

Section 8.14 Treasury Management Agreements and Secured Hedging Agreements. Except as otherwise expressly set forth herein or in any Guaranty or any Security Document, no Treasury Management Counterparty or Secured Hedging Agreement Counterparty that obtains the benefits of Section 2.10(b), any Guaranty, or any Security Document by virtue of the provisions hereof or of any Guaranty or any Security Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Article VIII to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements or Secured Hedging Agreements unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Treasury Management Counterparty or Secured Hedging Agreement Counterparty, as the case may be.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Amendment or Waiver; Acceleration by Required Lenders.

(a) Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, changed, waived or otherwise modified unless such amendment, change, waiver or other modification is in writing and signed by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent acting at the written direction of the Required Lenders; *provided, however*, that

(i) no change, waiver or other modification shall:

(A) increase the amount of any Commitment of any Lender hereunder, without the written consent of such Lender;

(B) extend or postpone the Revolving Facility Termination Date or the maturity date provided for herein that is applicable to any Loan of any Lender, extend or postpone the expiration date of any Letter of Credit as to which such Lender has a Participation Interest beyond the latest expiration date for a Letter of Credit provided for herein, or extend or postpone any scheduled expiration or termination date provided for herein that is applicable to a Commitment of any Lender, without the written consent of such Lender;

(C) reduce the principal amount of any Loan made by any Lender, or reduce the rate or extend, defer or delay the time of payment of, or excuse the payment of, principal or interest thereon (excluding mandatory

prepayments and other than as a result of (x) waiving the applicability of any post-default increase in interest rates or (y) any amendment or modification of any financial covenant hereunder (or any defined term used therein), without the written consent of such Lender;

(D)reduce the amount of any Reimbursement Obligation as to which any Lender is has a Participation Interest, or reduce the rate or extend the time of payment of, or excuse the payment of, interest thereon (other than as a result of (x) waiving the applicability of any post-default increase in interest rates or (y) any amendment or modification of any financial covenant hereunder (or any defined term used therein)), without the written consent of such Lender; or

(E)reduce the rate or extend the time of payment of, or excuse the payment of, any fees to which any Lender is entitled hereunder or under any other Credit Document (other than as a result of (x) waiving the applicability of any post-default increase in interest rates or (y) any amendment or modification of any financial covenant hereunder (or any defined term used therein)), without the written consent of such Lender; and

(ii)no change, waiver or other modification or termination shall:

(A)release the Borrower from any of its obligations hereunder without the written consent of each Lender;

(B)release the Borrower or any other Credit Party from obligations under Article X without the written consent of each Lender affected thereby, *except*, in the case of a Guarantor, in accordance with a transaction permitted under this Agreement,;

(C)release all or substantially all of the Collateral without the written consent of each Lender, *except* in connection with a transaction permitted under this Agreement;

(D)amend, modify or waive any provision of this Section 9.1, Section 2.10 or any other provision of any of the Credit Documents pursuant to which the consent or approval of all Lenders, or a number or specified percentage or other required grouping of Lenders or Lenders having Commitments, is by the terms of such provision explicitly required without the written consent of each Lender affected thereby;

(E)reduce the percentage specified in, or otherwise modify, the definition of Required Lenders without the written consent of each Lender;

(F)consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement without the written consent of each Lender; or

(G)amend, modify or waive any provision of Section 2.6(b)(ii), Section 2.10(b) or Section 9.7(b) without the written consent of each Lender affected thereby.

Notwithstanding the foregoing, any amendment, change, waiver or other modification to the Capital One Engagement Letter shall only require the written agreement of the parties thereto. The Administrative Agent and the Borrower may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Credit Documents or to enter into additional Credit Documents as the Administrative Agent reasonably deems appropriate to effectuate the terms of Section 2.12(b) in accordance with the terms of Section 2.12(b).

Any waiver or consent with respect to this Agreement given or made in accordance with this Section shall be effective only in the specific instance and for the specific purpose for which it was given or made.

(b)No provision of Section 2.2 or any other provision in this Agreement specifically relating to Letters of Credit or the rights and duties of any Issuing Lender may be amended without the consent of any Issuing Lender adversely affected thereby.

(c)No provision of Article VIII may be amended without the consent of the Administrative Agent and no provision of Section 2.3 may be amended without the consent of the Swingline Lender.

(d)In no event shall the Required Lenders, without the prior written consent of each Lender, direct the Administrative Agent to accelerate and demand payment of the Loans held by one Lender without accelerating and demanding payment of all other Loans or to terminate the Commitments of one or more Lenders without terminating the Commitments of all Lenders. Each Lender agrees that, except as otherwise provided in any of the Credit Documents and without the prior written consent of the Required Lenders, it will not take any legal action or institute any action or proceeding against any Credit Party with respect to any of the Obligations or Collateral, or accelerate or otherwise enforce its portion of the Obligations. Without limiting the generality of the foregoing, none of Lenders may exercise any right that it might otherwise have under applicable law to credit bid at foreclosure sales, uniform commercial code sales or other similar sales or dispositions of any of the Collateral except as authorized by the Required Lenders. Notwithstanding anything to the contrary set forth in this Section 9.1(d) or elsewhere herein, each Lender shall be authorized to take such action to preserve or enforce its rights against any Credit Party where a deadline or limitation period is otherwise applicable and would, absent the taking of specified action, bar the enforcement of Obligations held by such Lender against such Credit Party, including the filing of proofs of claim in any insolvency proceeding.

(e)Notwithstanding any of the foregoing to the contrary, the consent of the Borrower and the other Credit Parties shall not be required for any amendment, modification or waiver of the provisions of Article VIII (other than the provisions of Section 8.9).

(f)Notwithstanding any of the foregoing to the contrary, the Credit Parties and the Administrative Agent, without the consent of any Lender, may enter into any amendment, modification or waiver of any Credit Document, or enter into any new agreement or instrument,

to (i) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, or as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable law or (ii) correct any obvious error or omission of a technical nature, in each case that is immaterial (as determined by the Administrative Agent), in any provision of any Credit Document, if the same is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof.

(g) Notwithstanding the fact that the consent of all the Lenders is required in certain circumstances as set forth above, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except (i) that the Commitment of such Lender may not be increased or extended without the consent of such Lender and (ii) to the extent such amendment, waiver or consent impacts such Defaulting Lender more than the other Lenders.

(h) For the avoidance of doubt and notwithstanding any provision to the contrary contained in this Section 9.1, this Agreement may be amended (or amended and restated) with the written consent of the Credit Parties and the Administrative Agent in accordance with Section 2.20(g).

Section 9.2 Notices.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as set forth on Schedule 9.2.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders, the Swingline Lender and the Issuing Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender, the Swingline Lender or the Issuing Lender pursuant to Article II if such Lender, the Swingline Lender or the Issuing Lender, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c)Change of Address, Etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d)Platform.

(i)Each Credit Party agrees that the Administrative Agent may make the Communications (as defined below) available to the Lenders by posting the Communications on Intralinks or a substantially similar electronic transmission system (the "Platform").

(ii)The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower or the other Credit Parties, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's, any Credit Party's or the Administrative Agent's transmission of communications through the Platform. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Credit Party pursuant to any Credit Document or the transactions contemplated therein which is distributed to the Administrative Agent, any Lender or any Issuing Lender by means of electronic communications pursuant to this Section, including through the Platform.

Section 9.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and

privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Section 9.4 Survival of Representations and Warranties. All representations and warranties made hereunder and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the Notes and the making of the Loans; provided that all such representations and warranties shall terminate on the date upon which the Commitments have been terminated and all Obligations have been paid in full in cash.

Section 9.5 Payment of Expenses and Taxes; Indemnity.

(a) Costs and Expenses. The Credit Parties shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Credit Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the Transactions are consummated), (ii) all reasonable out-of-pocket expenses incurred by the Issuing Lender and the Swingline Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or Swingline Loan or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender, the Issuing Lender or the Swingline Lender (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender, the Issuing Lender or the Swingline Lender), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Credit Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Credit Parties. The Credit Parties shall indemnify the Arrangers, the Administrative Agent (and any sub-agent thereof), each Lender, the Issuing Lender and the Swingline Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, penalties, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Credit Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the Transactions, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the Issuing Lender to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Materials of Environmental Concern on or from any property owned or operated by any Credit Party or any of its Subsidiaries, or any liability under Environmental Law related in any way to any Credit Party or any of its Subsidiaries or any of their respective properties, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on

contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Credit Party, and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (A) the gross negligence or willful misconduct of such Indemnitee, (B) a breach in bad faith by such Indemnitee of its obligations under the Credit Documents or (C) disputes solely among Indemnites not involving any act or omission by the Borrower or any other Credit Party (other than any claims against an Indemnitee in its capacity or fulfilling its role as the Administrative Agent or an Arranger with respect to the Revolving Facility), in the case of each of the foregoing clauses (A), (B) and (C), as determined by a court of competent jurisdiction by a final and non-appealable judgment. This Section (b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from non-Tax claims.

(c)Reimbursement by Lenders. To the extent that the Credit Parties for any reason fail to indefeasibly pay any amount required under paragraph (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the Issuing Lender, Swingline Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the Issuing Lender, Swingline Lender or such Related Party, as the case may be, such Lender's Revolving Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), the Issuing Lender or Swingline Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), Issuing Lender or Swingline Lender in connection with such capacity.

(d)Waiver of Consequential Damages, Etc. Without limiting the Credit Parties' indemnity obligations set forth above, to the fullest extent permitted by applicable law, no party hereto shall assert, and each of the parties hereto hereby waives, any claim against any such other party or any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Credit Document or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in paragraph (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the Transactions.

(e)Payments. All amounts due under this Section shall be payable promptly and in no event later than five (5) days after demand therefor.

(f)Survival. The agreements contained in this Section shall survive the resignation of the Administrative Agent, the Swingline Lender and the Issuing Lender, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of the Obligations.

Section 9.6 Successors and Assigns; Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Credit Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of a Commitment of an assigning Lender and the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of a Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000; (provided, however, that simultaneous assignments shall be aggregated in respect of a Lender and its Approved Funds), unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii)Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Tranches on a non-pro rata basis.

(iii)Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A)the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof;

(B)the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of a Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of such facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C)the consent of the Issuing Lender and Swingline Lender (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of a Revolving Commitment.

(iv)Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v)No Assignment to Certain Persons. No such assignment shall be made to (A) any Credit Party or any Credit Party's Affiliates or Subsidiaries or (B) any Defaulting Lender or any of its Subsidiaries or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi)No Assignment to Natural Persons. No such assignment shall be made to a natural person.

(vii)Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set

forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon), and (B) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of [Section 2.13](#) and [Section 9.5](#) with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(c)Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, at any reasonable time and from time to time upon reasonable prior notice.

(d)Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or GPM Investments or the Borrower or any of their respective Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this

Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent, the Issuing Lenders and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 9.5(c) with respect to any payments made by such Lender to its Participant(s).

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 9.1 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Section 2.13, Section 2.14 and Section 2.15 (subject to the requirements and limitations therein, including the requirements under Section 2.15(g) (it being understood that the documentation required under Section 2.15(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 2.17 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Section 2.13 or Section 2.15, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.17 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.7 as though it were a Lender; provided that such Participant agrees to be subject to Section 9.7 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Credit Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e)Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that

no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Industry Competitors.

(i) No assignment or participation shall be made to any Person that was an Industry Competitor as of the date (the “Trade Date”) on which the assigning Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person (unless the Borrower has consented to such assignment in writing in its sole and absolute discretion, in which case such Person will not be considered an Industry Competitor for the purpose of such assignment or participation). For the avoidance of doubt, with respect to any assignee that becomes an Industry Competitor after the applicable Trade Date (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of the term “Industry Competitor”), (A) such assignee shall not retroactively be disqualified from becoming a Lender and (B) the execution by the Borrower of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered an Industry Competitor. Any assignment in violation of this clause (f)(i) shall not be void, but the other provisions of this clause (f) shall apply.

(ii) If any assignment or participation is made to any Industry Competitor without the Borrower’s prior written consent in violation of clause (i) above, or if any Person becomes an Industry Competitor after the applicable Trade Date, the Borrower may, at its sole expense and effort, upon notice to the applicable Industry Competitor and the Administrative Agent, (A) terminate any Commitment of such Industry Competitor and repay all obligations of the Borrower owing to such Industry Competitor in connection with such Commitment, (B) require such Industry Competitor to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 9.6), all of its interest, rights and obligations under this Agreement to one or more Persons that meet the requirements to be an Eligible Assignee and is not an Industry Competitor.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Industry Competitors that become Lenders or Participants (A) will not (x) have the right to receive information, reports or other materials provided to the Lenders by the Borrower, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B)(x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Credit Document, each such Industry Competitor will be deemed to have consented in the same proportion as the Lenders that are not Industry Competitors consented to such matter, and (y) for purposes of

voting on any reorganization or plan of liquidation pursuant to any Debtor Relief Laws (each a “Debtor Plan”), each Industry Competitor party hereto hereby agrees (1) not to vote on such Debtor Plan, (2) if such Industry Competitor does vote on such Debtor Plan notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be “designated” pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Debtor Plan in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws) and (3) not to contest any request by any party for a determination by the bankruptcy court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

Section 9.7 Right of Set-off; Sharing of Payments.

(a) If an Event of Default has occurred and is continuing, each Lender, the Issuing Lender, the Swingline Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the Issuing Lender, the Swingline Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Credit Party against any and all of the obligations of the Borrower or such Credit Party now or hereafter existing under this Agreement or any other Credit Document to such Lender, the Swingline Lender or the Issuing Lender, irrespective of whether or not such Lender, the Swingline Lender or the Issuing Lender has made any demand under this Agreement or any other Credit Document and although such obligations of the Borrower or such Credit Party may be contingent or unmatured or are owed to a branch, office or affiliate of such Lender, the Swingline Lender or the Issuing Lender different from the branch, office or Affiliate holding such deposit or obligated on such Indebtedness; provided that in the event that any Defaulting Lender exercises any such right of setoff, (i) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.19 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Lender, the Swingline Lender and the other Lenders, and (ii) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the Swingline Lender, the Issuing Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the Swingline Lender, the Issuing Lender or their respective Affiliates may have. Each Lender, the Swingline Lender and the Issuing Lender agree to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

(b) If any Lender, by exercising any right of setoff or counterclaim or otherwise, obtains payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender’s receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its pro rata share

thereof as provided herein, then the Lender receiving such greater proportion shall (i) notify the Administrative Agent of such fact, and (ii) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(A) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(B) the provisions of this paragraph shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in Letters of Credit to any assignee or participant, other than to any Credit Party or any Subsidiary thereof (as to which the provisions of this paragraph shall apply) or (z) (1) any amounts applied by the Swingline Lender to outstanding Swingline Loans and (2) any amounts received by the Issuing Lender and/or Swingline Lender to secure the obligations of a Defaulting Lender to fund risk participations hereunder.

Section 9.8 Table of Contents and Section Headings. The table of contents and the Section and subsection headings herein are intended for convenience only and shall be ignored in construing this Agreement.

Section 9.9 Counterparts; Effectiveness; Electronic Execution.

(a) Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Except as provided in Section 4.1, this Agreement shall become effective when it has been executed by the Borrower, the Guarantors, the Lenders and the Administrative Agent and the Administrative Agent has received copies hereof and thereof (electronically or otherwise), and thereafter this Agreement shall be binding upon and inure to the benefit of the Borrower, the Guarantors, the Administrative Agent and each Lender and their respective successors and permitted assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or email shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Assignments. The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a

paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 9.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 9.11 Integration. This Agreement and the other Credit Documents represent the entire agreement of the Borrower, the other Credit Parties, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent, the Borrower, the other Credit Parties, or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or therein. This Agreement and the other Credit Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 9.12 Governing Law. THIS AGREEMENT AND EACH OTHER CREDIT DOCUMENT (OTHER THAN THE LETTERS OF CREDIT, TO THE EXTENT SPECIFIED BELOW, AND EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN A CREDIT DOCUMENT) AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OR RULES DESIGNATED IN SUCH LETTER OF CREDIT OR, IF NO LAWS OR RULES ARE SO DESIGNATED, THE INTERNATIONAL STANDBY PRACTICES (ISP98 — INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NUMBER 590 (THE “ISP98 RULES”)) AND, AS TO MATTERS NOT GOVERNED BY THE ISP98 RULES, THE LAW OF THE STATE OF NEW YORK.

Section 9.13 Consent to Jurisdiction; Service of Process and Venue.

(a) EACH PARTY HERETO HEREBY IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY IN ANY LITIGATION OR OTHER PROCEEDING BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, ANY CREDIT DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER OR THE CREDIT PARTIES IN CONNECTION HERewith OR THEREWITH; PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT THE ADMINISTRATIVE AGENT’S OPTION, IN THE COURTS OF ANY JURISDICTION, INCLUDING ANY JURISDICTION WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND.

(b) EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID, OR BY PERSONAL SERVICE WITHIN OR WITHOUT THE STATE OF NEW YORK AT THE ADDRESS FOR NOTICES SPECIFIED IN SECTION 9.2. EACH PARTY HERETO HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT IT MAY HAVE OR HEREAFTER MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO IN CLAUSE (a) ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TO THE EXTENT THAT ANY PARTY HERETO HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, SUCH PARTY HEREBY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THE LOAN CREDIT DOCUMENTS. EACH PARTY HERETO HEREBY WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT THAT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO IN THIS SECTION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES.

Section 9.14 Confidentiality. Each of the Administrative Agent, the Lenders, the Swingline Lender and the Issuing Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process in which case, the Administrative Agent, shall, to the extent permitted by law, inform the Credit Parties promptly in advance thereof so that the Credit Parties may seek a protective order or other appropriate remedy, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder, under any other Credit Document or any action or proceeding relating to this Agreement, any other Credit Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, (g) (i) any actual or prospective party (or its partners, directors, officers, employees, managers, administrators, trustees, agents, advisors or other representatives) to any swap or derivative or similar transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (ii) an investor or prospective investor in securities issued by an Approved Fund that also agrees that Information shall be used solely for the purpose of evaluating an investment in such securities issued by the Approved Fund, (iii) a trustee, collateral manager, servicer, backup servicer, noteholder or secured party in connection with the administration, servicing and reporting on the assets serving as collateral for securities issued by an Approved Fund, or (iv) a nationally recognized rating agency that requires access to information regarding the Credit Parties, the Loans and Credit Documents in connection with ratings issued in respect of

securities issued by an Approved Fund (in each case, it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential), (h) with the consent of the Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the Swingline Lender, the Issuing Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower.

For purposes of this Section, “Information” shall mean all information received from any Credit Party or any of its Subsidiaries relating to any Credit Party or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender, the Swingline Lender or the Issuing Lender on a nonconfidential basis prior to disclosure by any Credit Party or any of its Subsidiaries; provided that, in the case of information received from any Credit Party or any of its Subsidiaries after the date hereof, such information is clearly identified in writing at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Section 9.15 Acknowledgments. The Borrower and the other Credit Parties each hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of each Credit Document;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to the Borrower or any other Credit Party arising out of or in connection with this Agreement and the relationship between the Administrative Agent and the Lenders, on one hand, and the Borrower and the other Credit Parties, on the other hand, in connection herewith is solely that of creditor and debtor; and

(c) no joint venture exists among the Lenders and the Administrative Agent or among the Borrower, the Administrative Agent or the other Credit Parties and the Lenders.

Section 9.16 Waivers of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS

BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.17Patriot Act Notice. Each Lender and the Administrative Agent (for itself and not on behalf of any other party) hereby notifies the Borrower that, pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower and the other Credit Parties, which information includes the name and address of the Borrower and the other Credit Parties and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower and the other Credit Parties in accordance with the Patriot Act.

Section 9.18Resolution of Drafting Ambiguities. Each Credit Party acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement and the other Credit Documents to which it is a party, that it and its counsel reviewed and participated in the preparation and negotiation hereof and thereof and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation hereof or thereof.

Section 9.19Subordination of Intercompany Debt. Each Credit Party agrees that all intercompany Indebtedness among Credit Parties (the "Intercompany Debt") is subordinated in right of payment, to the prior payment in full in cash of all Obligations. Notwithstanding any provision of this Agreement to the contrary, provided that no Event of Default has occurred and is continuing, the Credit Parties may make and receive payments with respect to the Intercompany Debt to the extent otherwise permitted by this Agreement; provided that in the event of and during the continuation of any Event of Default, no payment shall be made by or on behalf of any Credit Party on account of any Intercompany Debt. In the event that any Credit Party receives any payment of any Intercompany Debt at a time when such payment is prohibited by this Section, such payment shall be held by such Credit Party, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to, the Administrative Agent.

Section 9.20Continuing Agreement. This Agreement shall be a continuing agreement and shall remain in full force and effect until all Obligations (other than those obligations that expressly survive the termination of this Agreement) have been paid in full in cash and all Commitments and Letters of Credit have been terminated. Upon termination, the Credit Parties shall have no further obligations (other than those obligations that expressly survive the termination of this Agreement) under the Credit Documents and the Administrative Agent shall, at the request and expense of the Borrower, deliver all the Collateral in its possession to the Borrower and release all Liens on the Collateral; provided that should any payment, in whole or in part, of the Obligations be rescinded or otherwise required to be restored or returned by the Administrative Agent or any Lender, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, then the Credit Documents shall automatically be reinstated and all Liens of the Administrative Agent shall reattach to the Collateral and all amounts required to be restored or returned and all costs and expenses incurred by the Administrative Agent or any Lender in connection therewith shall be deemed included as part of the Obligations.

Section 9.21Press Releases and Related Matters. The Credit Parties and their Affiliates agree that they will not in the future issue any press releases or other public disclosure using the

name of Administrative Agent or any Lender or their respective Affiliates or referring to this Agreement or any of the Credit Documents without the prior written consent of such Person, unless (and only to the extent that) the Credit Parties or such Affiliate is required to do so under law and then, in any event, the Credit Parties or such Affiliate will use commercially reasonable efforts to consult with such Person before issuing such press release or other public disclosure. Subject to the prior consent of the Credit Parties, which consent shall not be unreasonably withheld, the Administrative Agent or any Lender may publish customary advertising material relating to the Transactions using the name, product photographs, logo or trademark of the Credit Parties.

Section 9.22 Appointment of Borrower. Each of the Guarantors hereby appoints the Borrower to act as its agent for all purposes under this Agreement and agrees that (a) the Borrower may execute such documents on behalf of such Guarantor as the Borrower deems appropriate in its sole discretion and each Guarantor shall be obligated by all of the terms of any such document executed on its behalf, (b) any notice or communication delivered by the Administrative Agent or the Lender to the Borrower shall be deemed delivered to each Guarantor and (c) the Administrative Agent or the Lenders may accept, and be permitted to rely on, any document, instrument or agreement executed by the Borrower on behalf of each Guarantor.

Section 9.23 No Advisory or Fiduciary Responsibility. In connection with all aspects of each Transaction, each of the Credit Parties acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Credit Parties and their Affiliates, on the one hand, and the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders on the other hand, and the Credit Parties are capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the Transactions and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (b) in connection with the process leading to such transaction, the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders are not and have not been acting solely as a principal and is not the financial advisor, agent or fiduciary, for any Credit Party or any of their Affiliates, stockholders, creditors or employees or any other Person; (c) none of the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders has assumed or will assume an advisory, agency or fiduciary responsibility in favor of any Credit Party with respect to any of the Transactions or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders have advised or are currently advising any Credit Party or any of its Affiliates on other matters) and none of the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders, have any obligation to any Credit Party or any of their Affiliates with respect to the Transactions except those obligations set forth herein and in the other Credit Documents; (d) each of the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Credit Parties and their Affiliates, and none of the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders

have any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (e) none of the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders have provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the Transactions (including any amendment, waiver or other modification hereof or of any other Credit Document) and the Credit Parties have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each of the Credit Parties hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against each of the Administrative Agent, Arrangers, Co-Syndication Agents and Co-Documentation Agents, Issuing Lender and Lenders with respect to any breach or alleged breach of agency or fiduciary duty.

Section 9.24 Responsible Officers. The Administrative Agent and each of the Lenders are authorized to rely upon the continuing authority of the Responsible Officers with respect to all matters pertaining to the Credit Documents including, but not limited to, the selection of interest rates, the submission of requests for Extensions of Credit and certificates with regard thereto. Such authorization may be changed only upon written notice to Administrative Agent accompanied by (a) an updated incumbency certificate and (b) evidence, reasonably satisfactory to Administrative Agent, of the authority of the Person giving such notice and such notice shall be effective not sooner than five (5) Business Days following receipt thereof by Administrative Agent (or such earlier time as agreed to by the Administrative Agent).

Section 9.25 Amendment and Restatement.

(a) On the Closing Date, the commitments, loans, rights and obligations and the liens and security interests under the Existing Credit Agreement shall be assigned to the Lenders and the Administrative Agent, as applicable, pursuant to the Master Assignment and the Existing Credit Agreement shall be amended and restated in its entirety by this Agreement, and the Existing Credit Agreement shall thereafter be of no further force and effect, except that the Borrower, the Administrative Agent and the Lenders agree that (i) the “Indebtedness” incurred by the Borrower under and as defined in the Existing Credit Agreement (whether or not such Indebtedness is contingent as of the Closing Date) shall continue to exist under and be evidenced by this Agreement and the other Credit Documents, (ii) the Lenders under the Existing Credit Agreement hereby waive the reimbursement of any breakage costs incurred on the Closing Date under Section 2.17 of the Existing Credit Agreement, (iii) the Existing Credit Agreement shall continue to evidence the representations and warranties made by the Borrower prior to the Closing Date, (iv) except as expressly stated herein or amended, amended and restated or otherwise modified, the other Credit Documents are ratified and confirmed as remaining unmodified and in full force and effect with respect to all Indebtedness, and (v) the Existing Credit Agreement shall continue to evidence any action or omission performed or required to be performed pursuant to the Existing Credit Agreement prior to the Closing Date (including any failure, prior to the Closing Date, to comply with the covenants contained in the Existing Credit Agreement). The amendments and restatements set forth herein shall not cure any breach thereof or any “Default” or “Event of Default” under and as defined in the Existing Credit Agreement existing prior to the Closing Date. This Agreement is not in any way intended to constitute a novation of the obligations and liabilities existing under the Existing Credit Agreement or evidence payment of all or any portion of such obligations and liabilities.

(b) The terms and conditions of this Agreement and the Administrative Agent's, the Lenders', the Swingline Lender's and the Issuing Lender's rights and remedies under this Agreement and the other Credit Documents shall apply to all of the Indebtedness incurred under the Existing Credit Agreement and the Letters of Credit issued thereunder.

(c) On and after the Closing Date, (i) all references to the Existing Credit Agreement (or to any amendment or any amendment and restatement thereof) in the Credit Documents (other than this Agreement) shall be deemed to refer to the Existing Credit Agreement, as amended and restated hereby (as it may be further amended, modified or restated), (ii) all references to any section (or subsection) of the Existing Credit Agreement in any Credit Document (but not herein) shall be amended to become, *mutatis mutandis*, references to the corresponding provisions of this Agreement and (iii) except as the context otherwise provides, on or after the Closing Date, all references to this Agreement herein (including for purposes of indemnification and reimbursement of fees) shall be deemed to be references to the Existing Credit Agreement, as amended and restated hereby (as it may be further amended, modified or restated).

(d) This amendment and restatement is limited as written and is not a consent to any other amendment, restatement or waiver, whether or not similar and, except as expressly provided herein or in any other Credit Document, all terms and conditions of the Credit Documents remain in full force and effect unless specifically amended hereby or by any other Credit Document.

(e) The "Lenders" party to the Existing Credit Agreement and any Lenders not party to the Existing Credit Agreement have agreed among themselves, if applicable, effective as of the Closing Date, to reallocate the respective Commitments (as defined in the Existing Credit Agreement) and corresponding outstanding Loans of such "Lenders" under the Existing Credit Agreement to be the Commitments and corresponding outstanding Loans hereunder as contemplated by Schedule 1.1 to this Agreement. On the Closing Date and after giving effect to such reallocation and adjustment of the Commitments, the Commitments of each Lender shall be as set forth on Schedule 1.1 hereto and each Lender shall own its Revolving Commitment Percentage of the outstanding Loans. The reallocation and adjustment to the Commitments of each Lender as contemplated by this Section 9.25 shall be deemed to have been consummated pursuant to the terms of the Assignment and Assumption attached as Exhibit 1.1(a) hereto as if each of the Lenders had executed an Assignment and Assumption with respect to such reallocation and adjustment. The Borrower and the Administrative Agent hereby consent to such reallocation and adjustment of the Commitments. The Administrative Agent hereby waives the processing and recordation fee set forth in Section 9.6 with respect to the assignments and reallocations of the Commitments contemplated by this Section 9.25.

Section 9.26 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and;

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

Section 9.27 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of

Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

Section 9.28 Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Secured Hedging Agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such

Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 9.28, the following terms have the following meanings:

“BHC Act Affiliate” of a party shall mean an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” shall mean any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

ARTICLE X

GUARANTY

Section 10.1 The Guaranty. In order to induce the Lenders to enter into this Agreement and to extend credit hereunder and in recognition of the direct benefits to be received by the Guarantors from the Extensions of Credit hereunder, each of the Guarantors hereby unconditionally and irrevocably jointly and severally guarantees as primary obligor and not merely as surety the full and prompt payment when due, whether upon maturity, by acceleration or otherwise, of any and all of the Obligations. The Guaranty set forth in this Article X is a guaranty of timely payment and not of collection. The word “indebtedness” is used in this Article X in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities of the Credit Parties, including specifically all Obligations, arising in connection with this Agreement or any of the other Credit Documents, Secured Hedging Agreement or Treasury Management Agreement, in each case, heretofore, now, or hereafter made, incurred or created, whether voluntarily or involuntarily, absolute or contingent, liquidated or unliquidated, determined or undetermined, whether or not such indebtedness is from time to time reduced, or extinguished and thereafter increased or incurred, whether the Credit Parties may be liable individually or jointly with others, whether or not recovery upon such indebtedness may be or hereafter become barred

by any statute of limitations, and whether or not such indebtedness may be or hereafter become otherwise unenforceable.

Notwithstanding any provision to the contrary contained herein or in any other of the Credit Documents, to the extent the obligations of a Guarantor are adjudicated to be invalid or unenforceable for any reason (including, without limitation, because of any applicable state or federal law relating to fraudulent conveyances or transfers) then the obligations of each such Guarantor hereunder shall be limited to the maximum amount that is permissible under applicable law (whether federal or state and including, without limitation, the Bankruptcy Code).

Section 10.2 Bankruptcy. Additionally, each of the Guarantors unconditionally and irrevocably guarantees jointly and severally the payment of any and all Obligations whether or not due or payable by any Credit Party upon the occurrence of any Bankruptcy Event and unconditionally promises to pay such Obligations to the Administrative Agent for the account of the Lenders and to any Secured Hedging Agreement Counterparty or Treasury Management Counterparty, on demand, in lawful money of the United States. Each of the Guarantors further agrees that to the extent that any Credit Party shall make a payment or a transfer of an interest in any property to the Administrative Agent, any Lender or any Secured Hedging Agreement Counterparty or Treasury Management Counterparty, which payment or transfer or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, or otherwise is avoided, and/or required to be repaid to such Credit Party, the estate of such Credit Party, a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then to the extent of such avoidance or repayment, the obligation or part thereof intended to be satisfied shall be revived and continued in full force and effect as if said payment had not been made.

Section 10.3 Nature of Liability. The liability of each Guarantor hereunder is exclusive and independent of any security for or other guaranty of the Obligations whether executed by any such Guarantor, any other Guarantor or by any other party, and no Guarantor's liability hereunder shall be affected or impaired by (a) any direction as to application of payment by any Credit Party or by any other party, or (b) any other continuing or other guaranty, undertaking or maximum liability of a guarantor or of any other party as to the Obligations, or (c) any payment on or in reduction of any such other guaranty or undertaking, or (d) any dissolution, termination or increase, decrease or change in personnel by any Credit Party, or (e) any payment made to the Administrative Agent, the Lenders or any Secured Hedging Agreement Counterparty or Treasury Management Counterparty on the Obligations which the Administrative Agent, such Lenders or such Secured Hedging Agreement Counterparty or Treasury Management Counterparty received from any Credit Party pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding, and each of the Guarantors waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

Section 10.4 Independent Obligation. The obligations of each Guarantor hereunder are independent of the obligations of any other Guarantor or the Borrower, and a separate action or actions may be brought and prosecuted against each Guarantor whether or not action is brought against any other Guarantor or the Borrower and whether or not any other Guarantor or the Borrower is joined in any such action or actions.

Section 10.5 Authorization. Each of the Guarantors authorizes each of the Administrative Agent, the Lenders, the Treasury Management Counterparties and the Secured Hedging Agreement Counterparties without notice or demand (except as shall be required by applicable statute and cannot be waived), and without affecting or impairing its liability hereunder, from time to time to (a) renew, compromise, extend, increase, accelerate or otherwise change the time for payment of, or otherwise change the terms of the Obligations or any part thereof in accordance with this Agreement, including any increase or decrease of the rate of interest thereon, (b) take and hold security from any Guarantor or any other party for the payment of this Guaranty or the Obligations and exchange, enforce waive and release any such security, (c) apply such security and direct the order or manner of sale thereof as the Administrative Agent and the Lenders in their discretion may determine, (d) release or substitute any one or more endorsers, Guarantors, the Borrower or other obligors and (e) to the extent otherwise permitted herein, release or substitute any Collateral.

Section 10.6 Reliance. It is not necessary for the Administrative Agent, the Lenders or any Secured Hedging Agreement Counterparty or Treasury Management Counterparty to inquire into the capacity or powers of any Credit Party or the officers, directors, members, partners or agents acting or purporting to act on its behalf, and any Obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

Section 10.7 Waiver.

(a) Each of the Guarantors waives any right (except as shall be required by applicable statute and cannot be waived) to require the Administrative Agent, any Lender or any Secured Hedging Agreement Counterparty or Treasury Management Counterparty to (i) proceed against the Borrower, any other Guarantor or any other party, (ii) proceed against or exhaust any security held from the Borrower, any other Guarantor or any other party, or (iii) pursue any other remedy. Each of the Guarantors waives any defense based on or arising out of any defense of the Borrower, any other Guarantor or any other party other than payment in full in cash of the Obligations (other than contingent indemnification obligations for which no claim has been made or cannot be reasonably identified by an Indemnitee based on the then-known facts and circumstances), including, without limitation, any defense based on or arising out of the disability of the Borrower, any other Guarantor or any other party, or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Credit Party other than payment in full in cash of the Obligations. The Administrative Agent may, at its election, foreclose on any security held by the Administrative Agent or a Lender, Treasury Management Counterparty or Secured Hedging Counterparty by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent such sale is permitted by applicable law), or exercise any other right or remedy the Administrative Agent or any Lender, Treasury Management Counterparty or Secured Hedging Counterparty may have against the Credit Party or any other party, or any security, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Obligations have been paid in full in cash and the Commitments have been terminated. Each of the Guarantors waives any defense arising out of any such election by the Administrative Agent or any of the Lenders, Treasury Management Counterparties or Secured Hedging Counterparties even though such election operates to impair or extinguish any right of reimbursement or

subrogation or other right or remedy of the Guarantors against the Borrower or any other party or any security.

(b)Each of the Guarantors waives all presentments, demands for performance, protests and notices, including, without limitation, notices of nonperformance, notice of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurring of new or additional Obligations. Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks which such Guarantor assumes and incurs hereunder, and agrees that neither the Administrative Agent nor any Lender shall have any duty to advise such Guarantor of information known to it regarding such circumstances or risks.

(c)Each of the Guarantors hereby agrees it will not exercise any rights of subrogation which it may at any time otherwise have as a result of this Guaranty (whether contractual, under Section 509 of the U.S. Bankruptcy Code, or otherwise) to the claims of the Administrative Agent or any Lender, any Secured Hedging Agreement Counterparty or any Treasury Management Counterparty against the Borrower or any other Guarantor of the Obligations owing to the Administrative Agent or the Lenders or such Secured Hedging Agreement Counterparty or Treasury Management Counterparty (collectively, the "Other Parties") or any contractual, statutory or common law rights of reimbursement, contribution or indemnity from any Other Party which it may at any time otherwise have as a result of this Guaranty until such time as the Obligations shall have been paid in full in cash and the Commitments have been terminated. Each of the Guarantors hereby further agrees not to exercise any right to enforce any other remedy which the Administrative Agent, the Lenders or any Secured Hedging Agreement Counterparty or Treasury Management Counterparty may now have or may hereafter have against any Other Party, any endorser or any other guarantor of all or any part of the Obligations and any benefit of, and any right to participate in, any security or collateral given to or for the benefit of the Lenders and/or the Secured Hedging Agreement Counterparties and Treasury Management Counterparties to secure payment of the Obligations until such time as the Obligations (other than contingent indemnification obligations for which no claim has been made or cannot be reasonably identified by an Indemnitee based on the then-known facts and circumstances) shall have been paid in full in cash and the Commitments have been terminated.

Section 10.8Limitation on Enforcement. This Guaranty may be enforced only by the action of the Administrative Agent acting upon the instructions of the Required Lenders and that no Lender, Secured Hedging Agreement Counterparty or Treasury Management Counterparty shall have any right individually to seek to enforce or to enforce this Guaranty, it being understood and agreed that such rights and remedies may be exercised by the Administrative Agent for the benefit of the Lenders under the terms of this Agreement and for the benefit of any Secured Hedging Agreement Counterparty or Treasury Management Counterparty under its Secured Hedging Agreement or Treasury Management Agreement, as applicable.

Section 10.9Confirmation of Payment. The Administrative Agent and the Lenders will, upon request after payment of the Obligations which are the subject of this Guaranty and termination of the Commitments relating thereto, confirm to the Borrower, the Guarantors or any

other Person that such indebtedness and obligations have been paid and the Commitments relating thereto terminated, subject to the provisions of Section 10.2.

Section 10.10 Eligible Contract Participant. Notwithstanding anything to the contrary in any Credit Document, no Guarantor shall be deemed under this Article X to be a guarantor of any Swap Obligations if such Guarantor was not an “eligible contract participant” as defined in § 1a(18) of the Commodity Exchange Act, at the time the guarantee under this Article X becomes effective with respect to such Swap Obligation and to the extent that the providing of such guarantee by such Guarantor would violate the Commodity Exchange Act; provided, however, that in determining whether any Guarantor is an “eligible contract participant” under the Commodity Exchange Act, the guarantee of the Obligations of such Guarantor under this Article X by a Guarantor that is also a Qualified ECP Guarantor shall be taken into account.

Section 10.11 Keepwell. Without limiting anything in this Article X, each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time to each Guarantor that is not an “eligible contract participant” under the Commodity Exchange Act at the time the guarantee under this Article X becomes effective with respect to any Swap Obligation, to honor all of the Obligations of such Guarantor under this Article X in respect of such Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 10.11 for the maximum amount of such liability that can be hereby incurred without rendering its undertaking under this Section 10.11, or otherwise under this Article X, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The undertaking of each Qualified ECP Guarantor under this Section 10.11 shall remain in full force and effect until termination of the Commitments and payment in full in cash of all Loans and other Obligations. Each Qualified ECP Guarantor intends that this Section 10.11 constitute, and this Section 10.11 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each Guarantor that would otherwise not constitute an “eligible contract participant” under the Commodity Exchange Act.

[Signature Pages ~~Follow~~Omitted]

Subsidiaries of ARKO Corp.

<u>Name</u>	<u>Jurisdiction of Organization</u>
A.C.S. Stores, Ltd.	Israel
Admiral Real Estate I, LLC	Delaware
Arko 21, LLC	Delaware
Arko Convenience Stores, LLC	Delaware
ARKO HOLDINGS Ltd.	Israel
Arko Properties (Israel) Limited Partnership	Israel
ARKO Real Estate (Israel) Ltd.	Israel
Broyles Hospitality, LLC	Tennessee
Colonial Pantry Holdings, LLC	Delaware
E Cig Licensing, LLC	Delaware
Florida Convenience Stores, LLC	Delaware
GPM1, LLC	Delaware
GPM2, LLC	Delaware
GPM3, LLC	Delaware
GPM4, LLC	Delaware
GPM5, LLC	Delaware
GPM6, LLC	Delaware
GPM7, LLC	Delaware
GPM8, LLC	Delaware
GPM9, LLC	Delaware
GPM Apple, LLC	Delaware
GPM Empire, LLC	Delaware
GPM Gas Mart Realty Co, LLC	Delaware
GPM Investments, LLC	Delaware
GPM Midwest, LLC	Delaware
GPM Midwest 18, LLC	Delaware
GPM Petroleum GP, LLC	Delaware
GPM Petroleum LP	Delaware
GPM Petroleum, LLC	Delaware
GPM RE, LLC	Delaware
GPM Southeast, LLC	Delaware
GPM Transportatation Company, LLC	Delaware
Ligad Investments and Building, Ltd.	Israel
Marsh Village Pantries, LLC	Indiana
Mundy Realty, LLC	Indiana
Next Door Group LLC	Delaware
Next Door RE Property, LLC	Delaware
Pantry Property, LLC	Indiana
Pride Convenience Holdings, LLC	Delaware
Pride Logistics, LLC	Delaware
Pride Management, LLC	Delaware
Pride Operating, LLC	Delaware
Pride Transportation, LLC	Delaware
Village Pantries Merger Sub, LLC	Delaware
Village Pantry Specialty Holding LLC	Delaware
Village Pantry, LLC	Indiana
Village Variety Store Operations, LLC	Delaware



CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated February 27, 2023 with respect to the consolidated financial statements, schedule, and internal control over financial reporting included in the Annual Report of ARKO Corp. on Form 10-K for the year ended December 31, 2022. We consent to the incorporation by reference of said reports in the Registration Statements of ARKO Corp. on Form S-8 (File No. 333-261642) and on Forms S-3 (File No. 333-252302 and File No. 333-252106).

GRANT THORNTON LLP

Charlotte, North Carolina
February 27, 2023

CERTIFICATION

I, Arie Kotler, certify that:

(1) I have reviewed this Annual Report on Form 10-K of ARKO Corp.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2023

/s/ Arie Kotler

Arie Kotler

Chairman, President and Chief Executive Officer

CERTIFICATION

I, Donald Bassell, certify that:

(1) I have reviewed this Annual Report on Form 10-K of ARKO Corp.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2023

/s/ Donald Bassell

Donald Bassell

Chief Financial Officer

**Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, I, Arie Kotler, Chief Executive Officer of ARKO Corp. (the "Company"), hereby certify that:

The Annual Report on Form 10-K for the year ended December 31, 2022 (the "Form 10-K") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 27, 2023

/s/ Arie Kotler

Arie Kotler

Chairman, President and Chief Executive Officer

**Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, I, Donald Bassell, Chief Financial Officer of ARKO Corp. (the "Company"), hereby certify that:

The Annual Report on Form 10-K for the year ended December 31, 2022 (the "Form 10-K") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 27, 2023

/s/ Donald Bassell

Donald Bassell

Chief Financial Officer
