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, 2016

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 1-9533

WORLD FUEL SERVICES CORPORATION
(Exact name of registrant as specified in its charter)

Florida	59-2459427
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
9800 Northwest 41st Street Miami, Florida (Address of principal executive offices)	33178 (Zip Code)

Registrant's telephone number, including area code: (305) 428-8000

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

Title of each class:	Name of each exchange on which registered:
Common Stock, par value $0.01 per share	New York Stock Exchange

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

Large accelerated filer ☒ Accelerated filer ☐ Non-Accelerated filer ☐ Smaller Reporting Company ☐

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

As of June 30, 2016, the registrant's most recently completed second fiscal quarter, the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the market price at which the common equity was last sold was $3,275,617,000.

As of February 3, 2017, the registrant had approximately 69,933,455 shares of outstanding common stock, par value $0.01 per share.

Documents incorporated by reference:

Part III - Specified Portions of the Registrant’s Definitive Proxy Statement for the 2017 Annual Meeting of Shareholders.

TABLE OF CONTENTS

		Page
PART I.		
Item 1.	Business	1
Item 1A.	Risk Factors	5
Item 1B.	Unresolved Staff Comments	19
Item 2.	Properties	20
Item 3.	Legal Proceedings	22
Item 4.	Mine Safety Disclosures	22
PART II.		
Item 5.	Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities	23
Item 6.	Selected Financial Data	26
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	27
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	43
Item 8.	Financial Statements and Supplementary Data	45
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	45
Item 9A.	Controls and Procedures	45
Item 9B.	Other Information	46
PART III.		
Item 10.	Directors, Executive Officers and Corporate Governance	47
Item 11.	Executive Compensation	47
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters	47
Item 13.	Certain Relationships and Related Transactions, and Director Independence	47
Item 14.	Principal Accounting Fees and Services	47
PART IV.		
Item 15.	Exhibits, Financial Statement Schedules	48
Item 16.	Form 10-K Summary	98
SIGNATURES		

PART I

Item 1. Business

Overview
World Fuel Services Corporation (the “Company”) was incorporated in Florida in July 1984 and along with its consolidated subsidiaries is referred to collectively in this Annual Report on Form 10-K (“2016 10-K Report”) as “World Fuel,” “we,” “our” and “us.”

We are a global energy management company involved in providing energy procurement advisory services, supply fulfillment and transaction and payment management solutions to commercial and industrial customers, principally in the aviation, marine and transportation industries. We have offices throughout the United States and in various foreign jurisdictions, including: Argentina, Australia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Denmark, Finland, France, Germany, Gibraltar, Greece, Hong Kong, India, Indonesia, Ireland, Italy, Japan, Kyrgyzstan, Malaysia, Mexico, the Netherlands, Norway, Russia, Singapore, South Africa, South Korea, Sweden, Switzerland, Taiwan, Turkey, the United Arab Emirates, the United Kingdom ("U.K.") and the United States ("U.S."). See “Item 2 – Properties” for a list of principal offices by business segment and “Exhibit 21.1 – Subsidiaries of the Registrant” included in this 2016 10-K Report for a list of our subsidiaries.

As of February 4, 2017, we employed more than 5,000 employees globally. Our principal executive office is located at 9800 Northwest 41st Street, Miami, Florida 33178 and our telephone number at this address is 305-428-8000. Our internet address is http://www.wfscorp.com and the investor relations section of our website is located at http://ir.wfscorp.com. We make available free of charge, on or through the investor relations section of our website, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Proxy Statements and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) with the Securities and Exchange Commission (“SEC”) as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. Also posted on our website are our Code of Conduct (“Code of Conduct”), Board of Directors’ committee charters and Corporate Governance Principles. Our internet website and information contained on our internet website are not part of this 2016 10-K Report and are not incorporated by reference in this 2016 10-K Report.

Segments
We operate in three reportable segments consisting of aviation, marine and land.

Aviation Segment
Our aviation-related service offerings include fuel management, price risk management, ground handling, 24/7 global dispatch services, and international trip planning services, including flight plans, weather reports and overflight permits. In addition, we offer card payment solutions and related processing services and technology. Because fuel is a major component of an aircraft’s operating costs, our customers require cost effective and professional fuel services. We have developed an extensive network of third-party suppliers and service providers that enables us to provide aviation fuel and related services throughout the world. We believe the breadth of our service offering combined with our global supplier network is a strategic differentiator that allows customers to secure fuel and high-quality services in locations worldwide on short notice.

We purchase our aviation fuel from suppliers worldwide, which may be delivered into our customers’ aircraft or to a designated storage facility located at one of our suppliers’ locations, pursuant to arrangements with them. Inventory is purchased at airport locations or shipped via pipelines and held at multiple locations for strategic reasons. We engage in contract sales, which are sales made pursuant to fuel purchase contracts with customers who commit to purchasing fuel from us over the contract term. We also conduct spot sales, which are sales that do not involve continuing contractual obligations by our customers to purchase fuel from us. Our cost of fuel is generally tied to market-based formulas or is government controlled.

Marine Segment
Through our extensive network, we provide our customers with real-time global market intelligence and rapid access to quality and competitively priced marine fuel 24 hours a day, every day of the year. Our marine fuel-related services include management services for the procurement of fuel, cost control through the use of price risk management offerings, quality control, claims management, and card payment solutions and related processing services.

We serve primarily as a reseller, and accordingly, in those instances we take delivery for fuel purchased from our supplier at the same place and time as the fuel is sold to our customer. We also sell fuel from our inventory, which we maintain in storage facilities that we own or lease. We also serve as a broker and in those cases we are paid a commission for negotiating the fuel purchase transaction between the supplier and the end user and for expediting delivery of the fuel.

The majority of our marine segment activity consists of spot sales. Our cost of fuel is generally tied to spot pricing or market-based formulas or is government controlled. We also contract with third parties to provide various services for our customers, including fueling of vessels in ports and at sea, and transportation and delivery of fuel and fuel-related products.

Land Segment
Our land related services include management services for the procurement of fuel and price risk management. We primarily conduct these activities throughout most of the U.S. as well as parts of the U.K. and Brazil. We also offer advisory and fulfillment solutions with respect to power, natural gas and other energy products through Kinect, our global energy management solutions business.

In addition, we offer transaction management services, which include card payment solutions, merchant processing services, payment solutions for tolls across Europe, government payment systems for global fuel procurement and commercial payment programs.

In connection with our fuel marketing activities, we serve as a reseller, and in those instances we purchase fuel from a supplier and contemporaneously resell it to our customers through spot and contract sales. The fuel is generally delivered to our customers directly or to a designated tanker truck loading terminal commonly referred to as “racks,” which are owned and operated by our suppliers or other third-parties. We also maintain inventory in certain strategic locations, including pipelines. Our cost of fuel is generally tied to market-based formulas.

During each of the years presented on the consolidated statements of income and comprehensive income, none of our customers accounted for more than 10% of total consolidated revenue.

Competitors
We operate globally across industries that are highly fragmented with numerous competitors. Our competitors range in size and complexity from large multinational corporations, principally major oil producers, which have significantly greater capital resources, to relatively small and specialized firms. We compete with major oil producers that market fuel directly to the large commercial airlines, shipping companies and petroleum distributors operating in the land transportation market as well as fuel resellers. We believe that our extensive market knowledge, worldwide footprint, logistics expertise, and the use of price risk management offerings give us the ability to compete within those markets.

Within each of our segments we may enter into derivative contracts to mitigate the risk of market price fluctuations and also to offer our customers fuel pricing alternatives to meet their needs. Financial information with respect to our business segments and the geographic areas of our business is provided below and within Note 12 to the accompanying consolidated financial statements included in this 2016 10-K Report.

Seasonality
Our operating results are subject to seasonal variability. Our seasonality results from numerous factors, including traditionally higher demand for natural gas and home heating oil during the winter months and aviation and land fuel during the summer months, as well as other seasonal weather patterns. As such, our results of operations may fluctuate from period to period.

Regulation

Our business activities are subject to substantial regulation by federal, state and local government agencies, inside and outside of the U.S., which enforce laws and regulations governing the transportation, sale, storage and disposal of fuel and the collection, transportation, processing, storage, use and disposal of hazardous substances and wastes, including waste oil and petroleum products. For example, U.S. federal and state environmental laws applicable to us include statutes that: (i) allocate the cost of remedying contamination among specifically identified parties and prevent future contamination; (ii) impose national ambient standards and, in some cases, emission standards, for air pollutants that present a risk to public health or welfare; (iii) govern the management, treatment, storage and disposal of hazardous wastes; and (iv) regulate the discharge of pollutants into waterways. International treaties also prohibit the discharge of petroleum products at sea. The penalties for violations of environmental laws include injunctive relief, recovery of damages for injury to air, water or property, and fines for non-compliance. See "Item 1A – Risk Factors," and "Item 3 – Legal Proceedings."

We may also be affected by new environmental laws and regulations that will apply to us or our customers in the future, some of which could increase the cost or reduce the demand for our products and services. For example, due to concern over the risk of climate change, a number of countries have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas ("GHG") emissions. In the U.S., the U.S. Environmental Protection Agency has finalized rules requiring the reporting of GHG emissions by petroleum product suppliers and facilities meeting certain annual emissions thresholds and to regulate emissions from major sources of GHGs under the Clean Air Act. In other countries, proposed regulations include adoption of cap and trade regimes, carbon taxes, restrictive permitting, increased efficiency standards, and incentives or mandates for renewable energy. Although the ultimate impact of these or other future measures is difficult to accurately predict, they could make our products more expensive or reduce demand for petroleum products, as well as shift demand toward relatively lower-carbon sources. This, in turn, could affect our operations, earnings and competitive position.

Forward-Looking Statements

Certain statements made in this report and the information incorporated by reference in it, or made by us in other reports, filings with the Securities and Exchange Commission ("SEC"), press releases, teleconferences, industry conferences or otherwise, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe," "anticipate," "expect," "estimate," "project," "could," "would," "will," "will be," "will continue," "will likely result," "plan," or words or phrases of similar meaning.

Forward-looking statements are estimates and projections reflecting our best judgment and involve risks, uncertainties or other factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. The Company's actual results may differ materially from the future results, performance or achievements expressed or implied by the forward-looking statements. These statements are based on our management's expectations, beliefs and assumptions concerning future events affecting us, which in turn are based on currently available information.

Examples of forward-looking statements in this 2016 10-K Report include, but are not limited to, our expectations about the conditions in the marine, land and aviation markets, cost reduction initiatives, the timing, cost and benefits of our multi-year project and upgrade of our Enterprise Resource Planning ("ERP") platform, the timing for closing the acquisition of assets from ExxonMobil affiliates and funding of the purchase price, as well as expectations regarding our government business, our business strategy, business prospects, operating results, effectiveness of internal controls to manage risk, working capital, liquidity, capital expenditure requirements and future acquisitions. Important assumptions relating to the forward-looking statements include, among others, assumptions regarding our ability to obtain required consents and satisfy closing conditions in acquisitions, our ability to capitalize on new market opportunities, the demand for our products, the cost, terms and availability of fuel from suppliers, pricing levels, the timing and cost of capital expenditures, outcome of pending litigation, competitive conditions, general economic conditions and synergies relating to acquisitions, joint ventures and alliances. These assumptions could prove inaccurate. Although we believe that the estimates and projections reflected in the forward-looking statements are reasonable, our expectations may prove to be incorrect.

Important factors that could cause actual results to differ materially from the results and events anticipated or implied by such forward-looking statements include, but are not limited to:

- customer and counterparty creditworthiness and our ability to collect accounts receivable and settle derivative contracts;
- changes in the market price of fuel;
- changes in the political, economic or regulatory conditions generally and in the markets in which we operate;
- our failure to effectively hedge certain financial risks and the use of derivatives;
- non-performance by counterparties or customers to derivative contracts;
- changes in credit terms extended to us from our suppliers;
- non-performance of suppliers on their sale commitments and customers on their purchase commitments;
- loss of, or reduced sales to a significant government customer;
- non-performance of third-party service providers;
- adverse conditions in the industries in which our customers operate, including a continuation of the global economic instability and its impact on the airline and shipping industries;
- the impact of cyber and other information security-related incidents;
- currency exchange fluctuations;
- currency and other global market impacts associated with U.K. referendum vote to exit from the European Union;
- failure of fuel and other products we sell to meet specifications;
- our ability to manage growth;
- our ability to effectively integrate and derive benefits from acquired businesses;
- material disruptions in the availability or supply of fuel;
- environmental and other risks associated with the storage, transportation and delivery of petroleum products;
- risks associated with operating in high risk locations;
- uninsured losses;
- our ability to realize the benefits of any cost savings;
- the impact of natural disasters, such as hurricanes;
- our failure to comply with restrictions and covenants in our senior revolving credit facility (“Credit Facility”) and our senior term loans (“Term Loans”);
- declines in the value and liquidity of cash equivalents and investments;
- our ability to retain and attract senior management and other key employees;
- changes in U.S. or foreign tax laws, interpretations of such laws, or changes in the mix of taxable income among different tax jurisdictions;
- our ability to comply with U.S. and international laws and regulations including those related to anti-corruption, economic sanction programs and environmental matters;
- increased levels of competition;
- the outcome of litigation and other proceedings, including the costs associated in defending any actions;
- the liquidity and solvency of banks within our Credit Facility and Term Loans;
- increases in interest rates; and
- other risks, including those described in “Item 1A - Risk Factors” and those described from time to time in our other filings with the SEC.

We operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all of those risks, nor can we assess the impact of all of those risks on our business or the extent to which any factor may cause actual results to differ materially from those contained in any forward-looking statement. The forward-looking statements in this 2016 10-K Report are based on assumptions management believes are reasonable. However, due to the uncertainties associated with forward-looking statements, you should not place undue reliance on any forward-looking statements. Further, forward-looking statements speak only as of the date they are made, and unless required by law, we expressly disclaim any obligation or undertaking to publicly update any of them in light of new information, future events, or otherwise. Any public statements or disclosures by the Company following this report that modify or impact any of the forward-looking statements contained in or accompanying this 2016 10-K Report will be deemed to modify or supersede such forward-looking statements.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act.

Item 1A. Risk Factors

We extend credit to most of our customers in connection with their purchase of fuel and services from us, and our business, financial condition, results of operations and cash flows will be adversely affected if we are unable to collect accounts receivable.
Our success in attracting customers has been due, in part, to our willingness to extend credit on an unsecured basis to customers as opposed to requiring prepayment, letters of credit or other forms of credit support. While no single customer represents more than 10% of our total consolidated revenue, diversification of credit risk is limited to the aviation, marine and land transportation industries within which we primarily do business.

Our exposure to credit losses will depend on the financial condition of our customers and other macroeconomic factors beyond our control, such as deteriorating conditions in the world economy or in the industries we serve, changes in oil prices and political instability. While we actively manage our credit exposure and work to respond to both changes in our customers' financial conditions or macroeconomic events, there can be no guarantee we will be able to successfully mitigate all of these risks. Credit losses, if significant, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our business is dependent on our ability to adequately finance our capital requirements and fund our investments, which if not available to us would impact our ability to conduct our operations.
We rely on credit arrangements with banks, suppliers and other parties as a significant source of liquidity for capital requirements not satisfied by operating cash flow. Future market volatility, generally, and persistent weakness in global energy markets may adversely affect our ability to access capital and credit markets or to obtain funds at low interest rates or on other advantageous terms. If we are unable to obtain credit as and when we need it on commercially reasonable terms or at all, such as in the event there is a substantial tightening of the global credit markets, a significant increase in interest rates or a significant reduction in supplier trade credit, it could have a negative impact on our business, financial condition, and cash flows, as well as our future development and growth. Furthermore, if we are unable to obtain debt financing and instead raise capital through an equity issuance, existing shareholders would be diluted. Even if we are able to obtain financing, the restrictions our creditors may place on our operations or our increased interest expense and leverage could limit our ability to grow.

Finally, our cash equivalents, principally consisting of overnight investments, bank money market accounts and bank time deposits are subject to credit, liquidity, market and interest rate risk, which can be exacerbated by volatility in the capital markets. Adverse changes in this respect can result in the decline of the fair value of our cash equivalents and therefore our liquidity, which could materially affect our business, financial condition, results of operations and cash flows.

Our derivatives transactions with customers, suppliers, merchants and financial institutions expose us to price and credit risks, which could have a material adverse effect on our business.
As part of our price risk management services, we offer to customers various pricing structures for the purchase of fuel, including derivatives products designed to hedge exposure to fluctuations in fuel prices. In the ordinary course of business, we enter into fixed forward contracts with some of our counterparties under which we agree to sell or purchase certain volumes of fuel at fixed prices. In addition, we may act as a counterparty in over-the-counter swap transactions with some of our customers where the customer may be required to pay us in connection with changes in the price of fuel. Further, we may use derivatives to hedge price risks associated with our fuel inventories and purchase and sale commitments. We typically hedge our price risk in any of the foregoing types of transactions by entering into derivative instruments with large energy companies, trading houses and financial institutions, on either secured or unsecured terms.

If we have not required a customer to post collateral in connection with a fixed forward contract or swap transaction and there is an outstanding mark-to-market liability owing, we will have effectively extended unsecured credit to that customer. Based on the volatility of fuel prices, our counterparties may not be willing or able to fulfill their obligations to us under their fixed forward contracts or swap transactions. In such cases, we would be exposed to potential losses or costs associated with any resulting default. For example, in the event the spot market price of fuel at the time of delivery is significantly less than the fixed price of the contract with the customer, a customer could default on its purchase obligation to us and purchase the fuel at the current lower spot market rate from another supplier. Meanwhile, we may have entered into a corresponding commitment with a supplier to offer our customer specified fixed pricing or terms and would be obligated to perform our fixed price purchase obligations to such supplier. Similarly, the counterparties with whom we may hedge our price risk exposure may not be willing or able to fulfill their obligations to us under their swap transactions.

While we generally attempt to structure our agreements such that we are able to recover from the non-performing counterparty, we may not always be able to recover any losses or costs we may incur as a result of such counterparty's default and may be exposed to claims for damages, penalties or other costs. While we monitor and manage credit exposures for this purpose, credit defaults may still occur and the actual recovery will depend on the financial condition of that counterparty. Accordingly, should any counterparty fail to honor its obligations under our agreements, we could sustain significant losses that would have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are exposed to various risks in connection with our use of derivatives which could have a material adverse effect on our results of operations.
We enter into financial derivative contracts to mitigate the risk of market price fluctuations in fuel products, to offer our customers fuel pricing alternatives to meet their needs, to manage price exposures associated with our inventories, and to mitigate the risk of fluctuations in foreign currency exchange rates. However, our efforts to hedge our exposure to fuel price and exchange rate fluctuations could be ineffective in certain instances. For example, we hedge jet fuel prices with derivatives tied to other petroleum products that have historically been correlated to aviation jet fuel (e.g. heating oil in the United States or gasoil in Europe or Asia). If the price of aviation jet fuel at a specific location experiences a divergence to historical correlations, our attempts to mitigate price risk associated with our aviation business may not be effective. Moreover, there may be times where the change in the price of jet fuel at a specific location is disrupted (e.g. hurricanes) and is not correlated to the underlying hedges when compared to historical prices.

We also enter into proprietary derivative transactions, which are transactions which are not intended to hedge our own risk but rather to make a profit by capitalizing on arbitrage opportunities associated with basis, time, quality or geographic spreads related to fuel products we sell. Proprietary derivative transactions, by their nature, expose us to adverse changes in commodity prices in relation to the proprietary positions taken. Although we have established limits on such exposure, any adverse changes could result in losses. The risks we face because of proprietary positions can be exacerbated by volatility in the financial and other markets. In addition, we may fail to adequately manage our risks or could otherwise incur losses if our employees fail to comply with our policies and procedures with respect to hedging or proprietary trading by engaging, for example, in unauthorized trading activity, failing to hedge a specific price risk or failing to observe limits on exposure, which could subject us to financial losses that would have a material adverse effect on our business, financial condition, results of operations and cash flows.

Finally, the majority of our derivatives are not designated as hedges for accounting purposes, and we therefore recognize changes in the fair market value of these derivatives as a component of revenue or cost of revenue (based on the underlying transaction type) in our consolidated statements of income and comprehensive income. Since the fair market value of these derivatives is marked to market at the end of each quarter, changes in the value of our derivative instruments as a result of gains or losses may cause our earnings to fluctuate from period to period.

If we fail to comply with laws or other government regulations applicable to our operations, we could suffer penalties or costs that could have a material adverse effect on our business.

We are required to comply with extensive and complex laws and other regulations in the countries in which we operate at the international, federal, state/provincial and local government levels relating to, among other things:

- the transportation, handling and delivery of fuel and fuel products;
- the operation of fuel storage, blending and distribution facilities;
- workplace safety;
- fuel spillage or seepage;
- environmental protection;
- consumer and data protection;
- payment card industry data security standards;
- government contracting and procurement;
- anti-trust and competition;
- anti-money laundering and statutes and regulations governing the transmission of funds;
- regulatory reporting and licensing; and
- hazardous waste disposal.

Due to the complex and technical nature of these laws and regulations, inadvertent violations may occur. If we fail to comply with these laws or regulations for any reason, we would be required to correct or implement measures to prevent a recurrence of any violations, which could increase our operating costs. If more serious violations were to occur, we could be subject to substantial fines or penalties or to civil or criminal liability. In addition, compliance with existing and future laws regulating the delivery of fuel by barge, truck, vessel or railcar, fuel storage terminals and underground storage tanks that we own, lease or operate may require significant capital expenditures and increased operating and maintenance costs, particularly as we acquire business with more physical assets. For example, rail incidents in the last several years have led and are likely to continue to lead to additional governmental regulation of rail shipments of crude oil and other fuel products in Canada and the United States and to increased safety standards for the railcars that transport these products, including specifications mandating modified railcar designs, configurations, materials, and equipment. These regulations, together with the decline in crude oil prices, have caused a number of railcars to be left idle by market participants and the market for these railcars has diminished significantly causing a significant decline in their value. We lease a significant number of railcars under long-term leases and these regulations could result in higher operating costs for us, such as if we are required to pay for the modifications to railcars we lease or if such railcars are deemed obsolete and we are unable to sublease them or find an alternate use. Any of these circumstances could have a material adverse affect on our operating results.

To the extent that we use third parties in our operations, we are also subject to the risk that we would be held accountable for the failure of these third parties to comply with the laws and regulations of the U.S. and various international jurisdictions. Any significant fines and costs incurred as a result of such regulations could have a material adverse effect on our business and results of operations.

Our failure to comply with U.S. or foreign tax laws or a government challenging our tax position could adversely affect our business and future operating results.
We are affected by various U.S. and foreign taxes, including income taxes and taxes imposed on the purchase and sale of aviation, marine and land fuel products, such as sales, excise, value added tax ("VAT"), energy, environmental and other taxes. From time to time, we may also benefit from special tax concessions in certain jurisdictions. For example, we have operated under a special income tax concession in Singapore since 2008 which is conditional upon our meeting certain employment and investment thresholds which, if not met in accordance with our agreement, may eliminate the benefit beginning with the first year in which the conditions are not satisfied. The income tax concession reduces the income tax rate on qualified sales and derivative gains and losses. The impact of this income tax concession decreased (increased) foreign income taxes by $2.7 million, $(7.7) million and $6.3 million for 2016, 2015 and 2014, respectively. The impact of the income tax concession on a diluted earnings per common share basis was $0.04 for 2016, $(0.11) for 2015 and $0.09 for 2014. Changes in U.S. and foreign tax laws, our failure to comply with such laws or the loss of tax concessions could adversely affect our business, financial condition, results of operations and cash flows.

Furthermore, significant judgment is required in determining our worldwide provision for income taxes. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Our tax expense includes estimates of additional tax that may be incurred for tax exposures and reflects various estimates and assumptions, including assessments of future earnings that could affect the valuation of our net deferred tax assets. Our operating results could be adversely affected by changes in the effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in our overall profitability, changes in tax legislation, the results of audits and examinations of previously filed tax returns and continuing assessments of our income tax exposures.

From time to time, we are under review by the Internal Revenue Service and various other domestic and foreign tax authorities with regards to income tax and indirect tax matters and are involved in various challenges and litigation in a number of countries, including, in particular, the U.S., Brazil and South Korea, where the amounts under controversy may be significant. We are in the process of contesting a number of these tax assessments in several administrative and legal proceedings, which are at various stages of appeal. In addition, in some jurisdictions these challenges require the posting of collateral or payment of the contested amount which may affect our flexibility in operating our business or our liquidity. If these assessments are ultimately determined adversely to us, these proceedings may have a material adverse effect on our business, results of operations, financial condition or prospects. Furthermore, any failure to comply with applicable laws and regulations or appropriately resolve these challenges could subject us to administrative, civil, and criminal remedies, including fines, penalties, disgorgement, injunctions and damage to our reputation. See notes 8 and 10 of the accompanying consolidated financial statements for additional details regarding certain tax matters.

Finally, we earn a significant amount of our operating income from outside the U.S., and any repatriation of funds currently held in foreign jurisdictions to the U.S. may result in higher effective income tax rates for the Company. Further, recent developments, including proposals to change U.S. income tax laws regarding how U.S. multinational corporations are taxed on foreign earnings, investigations by the European Commission on illegal state aid, the project by the Organisation for Economic Co-operation and Development (“OECD”) on Base Erosion and Profit Shifting (“BEPS”) and other initiatives, could adversely affect our worldwide effective tax rate. With the finalization of specific actions contained within the OECD’s BEPS study, many OECD countries have acknowledged their intent to implement the actions and update their local tax laws. The extent (if any) to which countries in which we operate adopt and implement these actions could have a material adverse impact on our effective tax rate, income tax expense, financial condition, and results of operations and cash flows.

Due to our international operations, we are subject to U.S. and international laws, including U.S. economic sanctions, the Foreign Corrupt Practices Act (“FCPA”) and similar anti-bribery laws, which can impose significant compliance costs and subject us to civil or criminal penalties for non-compliance.

Doing business on a worldwide basis requires us to comply with the laws and regulations of the U.S. government and various international jurisdictions. These regulations place restrictions on our operations, trade practices and partners and investment decisions. In particular, our international operations are subject to U.S. and foreign anti-corruption laws and regulations, such as the FCPA and the U.K. Anti Bribery Act, and economic sanction programs administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”). The FCPA prohibits us from providing anything of value to foreign officials for the purposes of improperly influencing official decisions or improperly obtaining or retaining business and the U.K. Anti Bribery Act prohibits bribery both in the U.K. and internationally, as well as bribery across public and private sectors. As part of our business, we regularly deal with state owned enterprises, the employees of which may be considered foreign officials for purposes of the FCPA. In addition, some of the international jurisdictions in which we operate lack a developed legal system and have higher than normal levels of corruption. Our activities in these countries create the risk of improper payments or offers of payments by one of our employees or other parties acting on our behalf.

Furthermore, international trade controls, including economic sanctions, export controls and anti-boycott regulations, are complex, restrict our business dealings with certain countries and individuals, and are constantly changing. Further restrictions may be enacted, amended, enforced or interpreted in a manner that materially impacts our operations. From time to time, certain of our subsidiaries have limited business dealings in countries subject to comprehensive OFAC administered sanctions. These business dealings currently represent an insignificant amount of our consolidated revenue and income and generally consist of the provision of services pursuant to licenses issued by OFAC or as otherwise permitted by applicable sanctions regulations. As a result of the above activities, we are exposed to a heightened risk of violating anti-corruption laws and trade control regulations. Violations of these regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts and revocations or restrictions of licenses, as well as criminal fines and imprisonment.

We have established policies and procedures designed to assist with our compliance with applicable U.S. and international laws and regulations. However, these policies and procedures may not effectively prevent us from violating these regulations in every transaction in which we may engage, and such a violation could adversely affect our reputation, business, financial condition, results of operations and cash flows. In addition, such a violation could also cause an event of default under our Credit Facility, which if not waived, could result in the acceleration of any outstanding indebtedness, could trigger cross defaults under other agreements to which we are a party (such as certain derivative contracts), and would impair our ability to obtain working capital advances and letters of credit. Such events could adversely affect our business, financial condition, results of operations and cash flows. Finally, various state and municipal governments, universities and other investors maintain prohibitions or restrictions on investments in companies that do business with sanctioned countries, which could adversely affect the market for our securities.

In the past, we have received administrative subpoenas from OFAC requesting information regarding our transactions in countries that are the subject of U.S. sanctions. In responding to these subpoenas, we identified a limited number of transactions that may have resulted in violations of U.S. sanctions regulations or our OFAC issued licenses. In each of these responses, we noted that the transactions identified as potential violations resulted in very small amounts of revenue to us. We routinely take actions to further strengthen our compliance-related policies and procedures. Nevertheless, should OFAC determine that any activities constituted violations of U.S. sanctions regulations, civil penalties, including fines, could be assessed against us. Additionally, in the course of its ongoing reviews, OFAC could request additional information from us, in the form of additional subpoenas or otherwise, and we intend to fully cooperate with any such additional subpoenas or requests. We cannot predict the ultimate outcome of any OFAC review, the total costs to be incurred in response to these reviews, the potential impact on our personnel, the effect of implementing any further measures that may be necessary to ensure full compliance with U.S. sanctions regulations or to what extent, if at all, we could be subject to fines, sanctions or other penalties.

Third parties who fail to provide products or services to us or our customers as agreed could harm our business.
We purchase fuel and other products from suppliers and resell to customers. If the fuel and other products we sell fail to meet the specifications we have agreed to with customers, we could incur significant liabilities if such products cause physical damage to a vessel or aircraft or result in other losses such that a customer initiates a claim or a lawsuit for which we settle or results in a decision against us. In addition, our relationship with our customers could be adversely affected and adverse publicity about any allegations of contaminated products may negatively affect us, regardless of whether the allegations are true. Although in most cases we have recourse against our suppliers for products that fail to meet contractual specifications, such recourse cannot be assured and may be costly to enforce. For example, several of our supply agreements are with foreign entities, including foreign governments, and are governed by the laws of foreign jurisdictions. If a supplier breaches such agreement, then we may incur the additional costs of determining our rights and obligations under the agreement, under applicable foreign laws, and enforcing an agreement in a foreign jurisdiction. Any significant liability in excess of any applicable insurance coverage could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We also use third parties to provide various services to our customers, including into plane fueling at airports, fueling of vessels in port and at sea and delivering land based fuel. The failure of these third parties to perform these services in accordance with contractual terms for any reason, such as their inability to supply specified fuel or an interruption of their business because of weather, environmental or labor difficulties or political unrest, could affect our relationships with our customers and subject us to claims and other liabilities that could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our fuel storage and transportation operations have inherent risks that could negatively impact our stock price, results of operations and financial condition.
Operating fuel storage and distribution terminals and transporting fuel products involve inherent risks including:

- oil spills and other environmental mishaps;
- fires, collisions and other catastrophic disasters;
- injuries and loss of life;
- severe damage to and destruction of property and equipment; and
- loss of product and business interruption.

Damage arising from such occurrences have in the past resulted, and may in the future result, in fines and significant third party claims. We generally maintain insurance to mitigate these types of costs, however our insurance may not be sufficient to cover the liabilities we might suffer from the occurrence of one or more of the risks described above.

In addition, if we are involved in a spill, leak, fire or other accident involving hazardous substances or if there are releases of fuel or fuel products we own or have custody of, our operations could be disrupted. We could also be subject to material liabilities, such as the cost of investigating and remediating contaminated properties or claims by customers, employees or others who may have been injured, or whose property may have been damaged. These liabilities, to the extent not covered by insurance, could have a material adverse effect on our business, financial condition, results of operations and cash flows. Some environmental laws impose strict liability, which means we could have liability without regard to whether we were negligent or at fault. Any of these occurrences, and any resulting negative media coverage, could have a material adverse effect on our stock price and on our business, financial condition, results of operations and cash flows.

Information technology failures and data security breaches, including as a result of cybersecurity attacks, could negatively impact our results of operations and financial condition, subject us to increased operating costs, and expose us to litigation.
We rely on our computer systems and network infrastructure across our operations. Despite our implementation of security and back-up measures, all of our technology systems are vulnerable to damage, disability or failures due to physical theft, fire, power loss, telecommunications failure, operational error, or other catastrophic events. Our technology systems are also subject to cybersecurity attacks including malware, other malicious software, phishing email attacks, attempts to gain unauthorized access to our data, the unauthorized release, corruption or loss of our data, loss or damage to our data delivery systems, and other electronic security breaches. Due to the large number of transactions that run through our systems each day, significant system down-time or slow-down could have a material impact on our ability to conduct business, process and record transactions, as well as make operational and financial decisions. In addition, as we continue to grow the volume of transactions in our businesses, our existing IT systems infrastructure, applications and related functionality may be unable to effectively support a larger scale operation, which can cause the information being processed to be unreliable and impact our decision-making or damage our reputation with customers.

In addition to our own vulnerabilities, our reliance on email transmissions over public networks to process certain transactions exposes us to risks associated with the failure of our customers, business partners and other third parties to use appropriate controls to protect sensitive information, as well as to risks of on-line fraud and email scams. Furthermore, despite our efforts to ensure the integrity of our systems and prevent future cybersecurity attacks, it is possible that our business, financial and other systems could be compromised, especially because such attacks can originate from a wide variety of sources including persons involved in organized crime or associated with external service providers. Those parties may also attempt to fraudulently induce employees, customers or other users of our systems to disclose sensitive information in order to gain access to our data or use electronic means to induce the company to enter into fraudulent transactions. Past and future occurrences of such attacks could damage our reputation and our ability to conduct our business, impact our credit and risk exposure decisions, cause us to lose customers or revenues, subject us to litigation and require us to incur significant expense to address and remediate or otherwise resolve these issues, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We currently maintain insurance to protect against cybersecurity risks and incidents. However, insurance coverage may not available in the future on commercially reasonable terms or at commercially reasonable rates. In addition, insurance coverage may be insufficient or may not cover certain of these cybersecurity risks and, even if available, the insurance proceeds received for any loss or damage may be insufficient to cover our losses or liabilities without materially adversely affecting our business, financial condition and results of operations.

The personal information that we collect may be vulnerable to breach, theft, loss or misuse that could increase operational costs, result in regulatory penalties and adversely affect our results of operation and financial condition.

In connection with various businesses we operate, such as our transaction management and payment processing businesses, we have access to sensitive, confidential or personal data or information from our employees, customers (both corporate and individual consumers), suppliers and other third parties, some of which may be subject to privacy and security laws, regulations and customer imposed controls. In the ordinary course of business, we collect, process, transmit and retain sensitive information regarding these parties. Despite our efforts to protect this information, our facilities and systems and those of our third party service providers may be vulnerable to security breaches, theft, misplaced or lost data and programming and human errors that could potentially lead to such information being compromised.

Failure to adequately protect this information could lead to substantial fines, penalties, third party liability, remediation costs, potential cancellation of existing contracts and inability to compete for future business. Due to legislative and regulatory rules, we may be required to notify the owners of such information of any data breaches, which could harm our business relationships, reputation and financial results, as well as subject us to litigation or actions by regulatory authorities. Furthermore, there has been heightened legislative and regulatory focus on data security in the U.S. and abroad (particularly in the European Union). Significant changes in applicable regulations may require us to make costly changes to our systems. Although we have taken steps to address these concerns by implementing network security and internal control measures, these steps may not prevent a data security breach and any data security breach may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Business acquisitions and strategic investments, such as joint venture arrangements, present increased risks and uncertainties, which if realized, could result in costs that outweigh the financial benefit of such opportunities.

As part of our growth strategy, we have been acquisitive and intend to continue to pursue acquisition opportunities of fuel resellers, logistics and transaction management and payment processing companies, energy management businesses, as well as other service and technology businesses. However, our ability to successfully implement our growth strategy depends on our ability to find attractive acquisition candidates or strategic investments, consummate such transactions on economically acceptable terms and, if necessary, finance such transactions on economically acceptable terms. From time to time, we may also enter into joint venture arrangements, equity investments intended to complement or expand our business, or may pursue organic growth initiatives, as well as divest of certain of our businesses or assets. These types of transactions can pose substantial risks and liabilities associated with their operations, as well as the risk that our relationships with our partners do not succeed in the manner that we anticipate. Even if we are successful in acquiring these businesses or consummating these strategic investments, we could be exposed to additional business and operating risks and uncertainties, including:

- our ability to effectively integrate the operations, financial reporting, and personnel of acquired companies and manage acquired businesses or strategic investments, while maintaining uniform standards and controls;
- our ability to realize our investment and anticipated synergies in the acquired businesses or strategic investments;
- the diversion of management’s time and attention from other business concerns, the potentially negative impact of changes in management on existing business relationships and other disruptions of our business;
- the risks associated with entering into businesses or markets in which we may have no or limited direct prior experience;
- the potential loss of key employees, customers or suppliers of the acquired businesses;
- a decrease in our liquidity resulting from a significant portion of our available cash or borrowing capacity being used to fund acquisitions and a corresponding increase in our interest expense or financial leverage if we incur additional debt to fund acquisitions;
- the ability to integrate the IT systems of acquired businesses into our existing IT infrastructure and manage those systems that cannot be effectively integrated;
- the requirement to write down acquired assets as a result of the acquired business or strategic investment being worth less than we paid or invested in it;
- capital expenditure requirements exceeding our estimates;
- the risk that an acquisition or strategic investment could reduce our future earnings; and

- the assumption of material liabilities, exposure to litigation, regulatory noncompliance or unknown liabilities, and no or limited indemnities from sellers or ongoing indemnity obligations to purchasers.

These risks may result in an adverse effect on our results of operations or financial condition or result in costs that outweigh the financial benefit of such opportunities.

Furthermore these acquisitions or strategic investments may result in us incurring substantial additional indebtedness and other expenses or consummating potentially dilutive issuances of equity securities to fund the required capital investment. This could adversely affect the market price of our common stock, inhibit our ability to pay dividends or otherwise restrict our operations.

Adverse conditions in the aviation, marine and land transportation industries may have a material adverse effect on our business.
Our business is focused on the marketing of fuel and other related products and services primarily to the aviation, marine and land transportation industries, which are generally affected by economic cycles. Therefore, weak economic conditions can have a negative impact on the business of our customers which may, in turn, have an adverse effect on our business. For example, during 2016, our marine segment was significantly impacted by the economic conditions adversely affecting the maritime industry. In addition, any political instability, natural disasters and other weather-related events, terrorist activity or military action that disrupts shipping, flight operations or land transportation will adversely affect our customers and may reduce the demand for our products and services. Our business could also be adversely affected by increased merger activity in the aviation, marine or land transportation industries, which may reduce the number of customers that purchase our products and services, as well as the prices we are able to charge for such products and services.

In addition, the aviation, marine and land transportation industries are subject to continuing changes in laws and regulations, including environmental regulations mandating or incentivizing alternative energy sources or attempting to control or limit emissions and pollution. For example, amendments to the International Convention for the Prevention of Pollution from Ships, or MARPOL, established a phased reduction of the sulfur content in fuel oil and allows for stricter sulfur limits in designated emission control areas. Further changes in laws and regulations applicable to international and national maritime trade are expected over the coming years. Complying with these and other laws and regulations may require capital expenditures by our customers or otherwise increase our customers' operating costs, which could in turn, reduce the demand for our products and services or impact the pricing or availability of the products we sell. Although the ultimate impact of any regulations is difficult to predict accurately, they could have a material adverse effect on our business or on the businesses of our customers.

Our business is subject to seasonal variability, which can cause our revenues and operating results to fluctuate and adversely affect the market price of our shares.
Our operating results are subject to seasonal variability. Our seasonality results from numerous factors, including traditionally higher demand for natural gas and home heating oil during the winter months and aviation and land fuel during the summer months, as well as other seasonal weather patterns. As such, our results for the fourth and first quarters of the year tend to be the strongest while the second quarter is generally the weakest. However, extreme or unseasonable weather conditions could significantly reduce demand for our products and services which can, in turn, adversely impact our results of operations. There can be no assurance that seasonal variability factors will continue in future periods. Accordingly, results for any one quarter may not necessarily be indicative of the results that may be achieved for any other quarter or for the full fiscal year. These seasonal fluctuations in our quarterly operating results may adversely affect the market price of our shares.

We are subject to unique business risks as a result of selling to government customers and reduced sales to our government customers could adversely affect our profitability.
Sales to government customers, which includes sales to the U.S. Defense Logistics Agency, the North Atlantic Treaty Organization (NATO), and other government and military customers, account for a significant portion of our profitability, particularly in our aviation segment. A decrease in defense spending as a result of factors such as U.S. and foreign government budget constraints or the withdrawal of armed forces from Afghanistan could result in a significant reduction in sales and related profit in our government services business. Furthermore, due to the nature of these types of conflicts, withdrawals from certain areas may be sudden, subjecting us to losses or higher expenses associated with disposing of unused inventory, removal or abandonment of equipment and relocation of employees. Government contracts are requirements based, and therefore profitability associated with our government services business may fluctuate significantly from time to time as a result of the commencement, extension or completion of existing and new government contracts. As a result of complex logistics and extended payment terms for our government customers, sales of products and services to such customers generally carry higher margins than sales to other customers. Accordingly, a decrease in government sales could contribute disproportionately to a reduction in our gross margin and profitability and such decrease could be sudden. The loss of a significant government customer or a material reduction in sales to government customers would adversely affect our business, financial condition, results of operations and cash flows.

In addition, contracting with government customers is inherently complex. Government contracts are subject to specific procurement regulations and a variety of other requirements, which affects how we transact business with our customers and can impose additional costs on our business operations. Government contracts are also generally subject to oversight, including audits and investigations which could identify violations of these agreements or applicable procurement regulations, such as the Federal Acquisition Regulation for contracts with the U.S. federal government. Such violations, including those caused by our subcontractors, could result in a range of consequences including, but not limited to, contract price adjustments, civil and criminal penalties, contract termination, forfeiture of profit and/or suspension of payment, and suspension or debarment from future government contracts. The occurrence of any of these actions could harm our reputation and could have a material adverse impact on our business, financial condition, and results of operations.

Changes in the market price of fuel may have a material adverse effect on our business.
Fuel prices are impacted by many factors beyond our control, including:

- global economic conditions;
- changes in global crude oil and natural gas prices;
- expected and actual supply and demand for fuel;
- the ability or willingness of the Organization of Petroleum Exporting Countries (“OPEC”) to set and maintain production levels for oil;
- oil and gas production levels by non-OPEC countries;
- geopolitical conditions;
- laws and regulations related to environmental matters, including those mandating or incentivizing alternative energy sources or otherwise addressing global climate change;
- changes in pricing or production controls by various organizations and oil producing countries;
- technological advances affecting energy consumption or supply;
- energy conservation efforts;
- price and availability of alternative fuels; and
- weather.

If fuel prices increase, our customers may not be able to purchase as much fuel from us because of their credit limits with us and the resulting adverse impact on their business could cause them to be unable to make payments owed to us for fuel purchased on credit. They may also choose to reduce the amount of fuel they consume in their operations to reduce costs or comply with new environmental regulations to obtain associated incentives. For example, in the shipping industry a number of container ships sail at reduced speeds, known as “slow steaming,” to conserve fuel and reduce carbon emissions. In any such event, the volume of orders from our customers may thereafter decrease and we may not be able to replace lost volumes with new or existing customers. In addition, if fuel prices increase, our own credit limits could prevent us from purchasing enough fuel from our suppliers to meet our customers’ demands or could require us to prepay for fuel purchases which would impair our liquidity.

Conversely, extended periods of low fuel prices, particularly when coupled with low price volatility, can also have an adverse effect on our results of operations and overall profitability. This outcome can be due to a number of factors, including reduced demand from our customers involved in the oil exploration sector and for our price risk management products. Low fuel prices also facilitate increased competition by reducing financial barriers to entry and enabling existing, lower-capitalized competitors to conduct more business as a result of lower working capital requirements.

Finally, we maintain fuel inventories for competitive or logistical reasons. Because fuel is a commodity, we have no control over the changing market value of our inventory although we may manage or hedge this price exposure with derivatives. Our inventory is valued using the weighted average cost methodology and is stated at the lower of average cost or market. A rapid decline in fuel prices could cause our inventory value to be higher than market, resulting in our inventory being marked down to market or the inventory itself sold at lower prices. While we attempt to mitigate these fluctuations through hedging, such hedges may not be fully effective. Accordingly, if the market value of our inventory is less than our average cost and to the extent our hedges are not effective at mitigating fluctuations in prices, we could record a write down of inventory on hand and incur a non-cash charge or suffer losses as fuel is sold, which could adversely impact our earnings.

Economic, political and other risks associated with international sales and operations could adversely affect our business and future operating results.

Because we offer fuel products and services on a worldwide basis, our business is subject to risks associated with doing business internationally. Our business and future operating results could be harmed by a variety of factors, including:

- trade protection measures and import, export and other licensing requirements, which could increase our costs or prevent us from doing certain business internationally;
- the costs of hiring and retaining senior management for overseas operations;
- difficulty in staffing and managing widespread operations, which could reduce our productivity;
- unexpected changes in regulatory requirements, which may be costly and require significant time to implement;
- laws restricting us from repatriating profits earned from our activities within foreign countries, including the payment of distributions;
- governmental actions that may result in the deprivation of our contractual rights or the inability to obtain or retain authorizations required to conduct our business;
- political risks, including changes in governments; and
- terrorism, war, civil unrest and natural disasters.

In particular, we operate in certain international markets which have been plagued by corruption and have uncertain regulatory environments, either of which could have a negative impact on our operations there. Furthermore, many countries in which we operate have historically been, and may continue to be, susceptible to recessions or currency devaluation.

We also operate in certain high risk locations that have been experiencing military action, terrorist activity or continued unrest which could disrupt the supply of fuel or otherwise disrupt our operations in those areas. An act of terror could result in disruptions of fuel supply and oil markets, and our facilities could be direct or indirect targets. Terrorist activity may also hinder our ability to transport fuel if our means of transportation become damaged as a result of an attack. In these high risk locations, we may also incur substantial operating costs, including maintaining the safety of our personnel. Furthermore, we cannot guarantee the safety of our personnel in these locations and there is a risk of serious injury or loss of life of employees or subcontractors.

Material disruptions in the availability or supply of fuel would adversely affect our business.
The success of our business depends on our ability to purchase, sell and coordinate delivery of fuel and related services to our customers. Political instability, natural disasters, transportation, terminal or pipeline capacity constraints, terrorist activity, piracy, military action or other similar conditions may disrupt the availability or supply of fuel. Decreased availability or supply of fuel or other petroleum products may have a negative impact on our sales and margins and adversely affect our operating results. In addition, we rely on a single or limited number of suppliers for the provision of fuel and related products and services in certain markets. These parties may have significant negotiating leverage over us, and if they are unable or unwilling to supply us on commercially reasonable terms, our business would be adversely affected.

We face intense competition and, if we are not able to effectively compete in our markets, our revenues and profits may decrease.
Competitive pressures in our markets could adversely affect our competitive position, leading to a possible loss of market share or a decrease in prices, either of which could result in decreased revenues and profits. Our competitors are numerous, ranging from large multinational corporations, which have significantly greater capital resources than we do, to relatively small and specialized firms. In addition to competing with resellers, we also compete with the major oil producers that market fuel and other energy products directly to the large commercial airlines, shipping companies and commercial and industrial users. Although many major oil companies have been divesting their downstream assets, some continue to compete with us in certain markets while others may decide to reenter the market in the future. Our business could be adversely affected because of increased competition from these oil companies, who may choose to increase their direct marketing in order to compete with us or provide less advantageous price and credit terms to us than to our fuel reseller competitors.

If we are unable to retain our senior management and key employees, our business and results of operations could be harmed.
Our ability to maintain our competitive position is largely dependent on the services of our senior management and key personnel. Although we have employment or severance agreements with certain of our key employees, these agreements do not prevent those individuals from ceasing their employment with us at any time. If we are unable to retain existing senior management and key personnel, or to attract other qualified senior management and key personnel on terms satisfactory to us, our business could be adversely affected. While we maintain key man life insurance with respect to certain members of senior management, our coverage levels may not be sufficient to offset any losses we may incur and there is no assurance that we will continue to maintain key man life insurance in the future.

Our failure to comply with the requirements of our Credit Facility and Term Loans could adversely affect our operating flexibility.
We have the ability to borrow money pursuant to a Credit Facility and Term Loans that impose certain operating and financial covenants on us, which restrict our ability to (i) pay dividends, (ii) incur additional debt, (iii) create liens, (iv) make restricted payments, (v) sell assets and (vi) engage in mergers or acquisitions. Our failure or inability to comply with the requirements of these facilities, including meeting certain financial ratios or other covenants, could limit the availability under our Credit Facility or result in an event of default. An event of default, if not cured or waived, would permit acceleration of any outstanding indebtedness under these facilities, could trigger cross defaults under other agreements to which we are a party (such as certain derivative contracts), and would impair our ability to obtain working capital advances and letters of credit, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

If we fail to successfully manage the implementation of an upgrade to our global enterprise resource planning (“ERP”) platform, our operations and operating results could be adversely affected.
In 2015, we committed to undertake a multi-year project designed to drive greater improvement in operating efficiencies and optimize scalability, particularly when integrating future acquisitions. We will accomplish this in part by a global design and deployment of an upgrade to our existing ERP platform. We are currently in the early planning phase and the costs incurred to date have not been significant. We expect the total cost of the project over the next three years to range between $30.0 million and $40.0 million. If we fail to successfully implement the upgrade to our existing ERP platform, or should we experience material delays in implementation, our ability to grow our business could be adversely affected. Estimating the expenditures related to an upgrade of an ERP platform is highly complex and subject to variables that can significantly increase costs. Should the actual costs exceed our estimates, our liquidity and results of operations could be adversely affected.

Our operations may be adversely affected by legislation and competition from other energy sources and new or advanced technology.
Fuel competes with other sources of energy, some of which are less costly on an equivalent energy basis. There are significant governmental incentives and consumer pressures to increase the use of alternative fuels in the United States and abroad. A number of automotive, industrial and power generation manufacturers are developing more fuel efficient engines, hybrid engines and alternative clean power systems using fuel cells or clean burning gaseous fuels. The more successful these alternatives become as a result of governmental incentives or regulations, technological advances, consumer demand, improved pricing or otherwise, the greater the potential negative impact on pricing and demand for our products and services and accordingly, our profitability.

In addition, federal, state, local and/or foreign governments may enact legislation or regulations that attempt to control or limit GHGs such as carbon dioxide. Such laws or regulations could impose costs tied to carbon emissions, operational requirements or restrictions, or additional charges to fund energy efficiency activities. They could also provide a cost advantage to alternative energy sources, result in other costs or requirements, such as costs associated with the adoption of new infrastructure and technology to respond to new mandates, or impose costs or restrictions on end users of fuel. For example, some of our customers in the transportation industry may be required to purchase allowances or offsets or incur other costs to comply with existing or future requirements relating to GHG. Finally, the focus on climate change could also negatively impact the reputation of fuel products or services such as those we offer. The occurrence of any of the foregoing events could put upward pressure on the cost of fuel relative to other energy sources, increase our costs and the prices we charge our customers, reduce the demand for our products, and therefore adversely affect our business, financial condition, results of operations and cash flows.

Insurance coverage for some of our operations may be insufficient to cover losses, which may have a material adverse effect on our financial condition and results of operations.
We maintain insurance to cover various risks associated with the operation of our business. Certain risks, however, such as environmental risks, are not fully insurable and our insurance coverage does not cover all potential losses, costs, or liabilities. Accordingly, our insurance policies may not adequately cover or may have exclusions of coverage for certain losses. Therefore, our insurance coverage may not be available or, if available, may not be adequate to cover claims that may arise.

Furthermore, our ability to obtain and maintain adequate insurance and the cost of such insurance may be affected by significant claims and conditions in the insurance market over which we have no control. If the cost of insurance increases, we may decide to discontinue certain insurance coverage, reduce our level of coverage or increase our deductibles/retentions in order to offset the cost increase. In addition, our existing types and levels of insurance coverage could become difficult or impossible to obtain in the future. The occurrence of an event that is not fully covered by insurance, the loss of insurance coverage or a significant increase in the cost of insurance could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Current and future litigation could have a material adverse effect on our business and results of operations.
We are currently, and may in the future be, involved in legal proceedings that arise in the ordinary course of our business. Lawsuits and other administrative or legal proceedings as well as any governmental investigations can involve substantial costs, including the costs associated with investigation, litigation and possible settlement, judgment, penalty or fine. Although we generally maintain insurance to mitigate certain costs, costs associated with lawsuits or other legal proceedings may exceed the limits of insurance policies, which could adversely impact our results of operations. Furthermore, our business, financial condition, results of operations and cash flows could be adversely affected if a judgment, penalty or fine is not fully covered by insurance.

Fluctuations in foreign exchange rates could materially affect our financial condition and results of operations.
The majority of our business transactions are denominated in U.S. dollars. In particular markets, however, payments to certain of our fuel suppliers and from certain of our customers are denominated in local currency. We also have certain liabilities, primarily for local operations, including income and transactional taxes, which are denominated in foreign currencies. This subjects us to foreign currency exchange risk. Although we generally use hedging strategies to manage and minimize the impact of foreign currency exchange risk when available, these hedges may be costly and at any given time, only a portion of this risk may be hedged. Accordingly, our exposure to this risk may be substantial and fluctuations in foreign exchange rates could adversely affect our profitability.

In addition, many of our customers are based outside of the U.S. and may be required to purchase U.S. dollars to pay for our products and services. A rapid depreciation or devaluation in currency that affects our customers could have an adverse effect on their operations and their ability to convert local currency to U.S. dollars in order to make required payments to us. This could, in turn, increase our credit losses and adversely affect our business, financial condition, results of operations and cash flows.

The U.K.'s proposed withdrawal from the E.U. could harm our business and financial results.
As a result of the June 23, 2016 referendum in which British voters approved an exit from the European Union ("E.U."), commonly referred to as "Brexit", it is expected that the British government will commence negotiations to determine the terms of the U.K.'s withdrawal from the E.U. A withdrawal could, among other outcomes, disrupt the free movement of goods, services and people between the U.K. and the E.U., undermine bilateral cooperation in key geographic areas and significantly disrupt trade between the U.K. and the E.U. or other nations as the U.K. pursues independent trade relations. These factors pose a risk to the overall U.K. economy and as a result, our operations in the U.K., particularly in our land segment, as well as our global operations, could be adversely impacted.

In addition, the announcement of Brexit caused significant volatility in global stock markets and currency exchange rate fluctuations that resulted in the strengthening of the U.S. dollar. The strengthening of the U.S. dollar relative to the British pound and other currencies may harm our results of operations as the local currency results of our international operations may translate into fewer U.S. dollars. Uncertainty over Brexit and currency fluctuations could also impact our customers, who may closely monitor their costs and reduce their spending budgets on our products and services, which in turn, may adversely affect our business, results of operations and financial condition. Furthermore, our hedging activities may not be effective to mitigate volatile fuel prices and may expose us to counterparty risk.

Finally, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the U.K. determines which E.U. laws to replace or replicate. We may incur additional costs and expenses as we adapt to such potentially divergent regulatory frameworks. The effects of Brexit will depend on any agreements the U.K. makes to retain access to E.U. or other markets either during a transitional period or more permanently. Given the lack of comparable precedent, it is unclear what financial, trade and legal implications the withdrawal of the U.K. from the E.U. would have and how such withdrawal would affect us. Adverse consequences concerning Brexit or the E.U. could include deterioration in global economic conditions, instability in global financial markets, political uncertainty, continued volatility in currency exchange rates, or adverse changes in the cross-border agreements currently in place, any of which could have an adverse impact on our financial results in the future.

Current and proposed derivatives legislation and rulemaking could have a material adverse effect on our business.
The Dodd Frank Wall Street Transparency and Accountability Act of 2010 (the “Dodd-Frank Act”) provides for federal regulation of the over the counter derivative markets both for commodities and securities, and gives the U.S. Commodity Futures Trading Commission (“CFTC”) and the SEC broad authority to regulate such markets and their participants. This includes, among others, derivative transactions linked to crude oil, refined products and natural gas prices. The Dodd-Frank Act and the rules being promulgated thereunder subject certain swap participants to capital and margin requirements and business conduct standards. If we or our derivatives counterparties are subject to additional requirements imposed as a result of the Dodd-Frank Act, this may increase our transaction costs or make it more difficult for us to enter into hedging transactions on favorable terms. Our inability to enter into hedging transactions on favorable terms, or at all, could increase our operating expenses and put us at increased exposure to risks of adverse changes in energy commodities prices. Further, on December 30, 2016, the CFTC re-proposed new position limits rules for public comment, which would limit trading in options, futures, and swaps contracts related to certain agricultural, metal, and energy commodities, including energy commodities in which we currently engage in derivative transactions, and solicited public comment with respect to the same. These rules have not been finalized, and we cannot currently predict whether or when the re-proposed rules will be adopted, in what form the rules will be adopted, or the effect of the final rules, if any, on our businesses. Any such regulations could also subject our derivatives counterparties to limits on commodity positions and thereby have an adverse effect on our ability to hedge risks associated with our business or on the cost of our hedging activity.

In addition, upcoming E.U. derivative regulations and other legislation regulating the use of derivatives that certain foreign jurisdictions have adopted or are in the process of adopting, could have a material adverse effect on our business. For example, in early 2016, the E.U. Commission announced that the deadline for two key sets of derivative regulations schedules to come into effect, the Markets in Financial Instruments Directive II (“MiFID II”) and the Markets in Financial Instruments Regulation (“MiFIR”), originally set for January 2017, had been postponed to January 2018. As we approach the January 2018 MiFID II and MiFIR regulatory implementation, we will continue to evaluate how these E.U. regulations, may impact our ability to conduct our business.

Any new (or newly implemented) regulations and international legislation could:

- significantly increase the cost of our derivative contracts (including through requirements to post collateral, which could adversely affect our cash flows and liquidity, or require us to obtain licenses and subject us directly or indirectly to additional reporting and other requirements),
- materially alter the terms of our derivative contracts,
- reduce our ability to offer derivative and other price management products to our customers,
- require that we limit our derivatives activities to avoid being subject to burdensome requirements and regulations;
- reduce the demand for our price risk management services,
- reduce the availability of derivatives to protect against risks we encounter,
- increase price volatility in the commodities we buy and sell (and derivatives related to those commodities),
- affect cash flow and liquidity due to margin calls,
- reduce our ability to monetize or restructure our existing commodity price contracts, and
- increase our exposure to less creditworthy counterparties.

If the increased cost of derivative contracts is significant or we reduce or limit our derivatives activities as a result of any such legislation or rules, our profitability and results of operations could be adversely affected. Any of these consequences could have a material adverse effect on us, our financial condition, and our results of operations and cash flows.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The following table sets forth our principal properties, the majority of which are leased, as of February 4, 2017. We consider all of our properties and facilities to be suitable and adequate for our present needs and do not anticipate that we will experience difficulty in renewing or replacing those leases that expire in 2017 in any material respect.

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES PROPERTIES

Location	Principal Use	Lease Expiration
9800 Northwest 41st Street Miami, FL 33178, USA	Executive, administrative, operations and sales office for corporate, aviation, marine and land segments	May 2021
62 Buckingham Gate London, UK SW1E 6AJ	Administrative, operations and sales office for aviation, marine and land segments	June 2028
238A Thompson Road #08-01/10 Novena Square Tower A Singapore 307684	Administrative, operations and sales office for aviation and marine segments	March 2020
Office No. 2003, Swiss Tower Plot No. Y3, Jumeirah Lakes Towers Dubai, United Arab Emirates	Sales and marketing office for aviation and marine segments	March 2017
Av. Rio Branco 181, Suite 3301 - Parte, Centro Rio de Janeiro, Brazil 20040 007	Administrative, operations and sales office for aviation, marine and land segments	Month-to-month
Praia do Flamengo, 200, 22nd floor Rio de Janeiro, Brazil 22210 030	Administrative, operations and sales office for aviation, marine and land segments	November 2021
Paseo de la Reforma 231, Piso 8 Cuauhtémoc Delegacion Cuauhtémoc C.P. 06500, Mexico D.F	Administrative, operations and sales office for aviation segment	January 2020
Forum 2, Building N, Level 4, Radial Santa Ana Belén (Lindoral), Pozos, Santa Ana San José, Costa Rica	Administrative, operations and sales office for aviation and marine segments	December 2019
605 North Highway 169, Suites 1100 & 1200 Plymouth, MN 55441, USA	Administrative, operations and sales office for land segment	June 2018
25 Mill Street Parish, NY 13131, USA	Administrative, operations and sales office for aviation segment	March 2020
Strommen 6 9400 Norresundby, Denmark	Administrative, operations and sales office for aviation and land segments	Month-to-month
6000 Metcalf Avenue Overland Park, KS 66202, USA	Administrative, operations and sales office for land segment	August 2017
8650 College Boulevard Overland Park, KS 66210, USA	Administrative, operations and sales office for aviation, marine and land segments	August 2017
Causeway End, Brinkworth, Chippenham SN15 5DN, United Kingdom	Administrative, operations and sales office for land segment	Owned
300 Flint Ridge Road Webster, Texas 77598, USA	Administrative, operations and sales office for aviation segment	Owned
Fantoftvegen 38, 5072 Bergen, Norway	Administrative, operations and sales office for land segment	November 2023
2320 Milwaukee Way, Tacoma, Washington 98421, USA	Administrative, operations and sales office for land segment	June 2026

Location	Principal Use	Lease Expiration
4920 Southern Boulevard Virginia Beach, VA 23462, USA	Administrative, operations and sales office for land segment	Owned
Odinsgatan 10, SE-411 03 Göteborg, Sweden	Administrative, operations and sales office for aviation segment	January 2019
1B North Mole Road (C.P. No. 1360) Gibraltar	Administrative, operations and sales office for marine segment	May 2021
The Docks, Falmouth, Cornwall, TR11 4NR, United Kingdom	Administrative, operations and sales office for marine segment	February 2037
Huskisson Dock No.1 Regent Road Liverpool, United Kingdom	Administrative, operations and sales office for marine segment	February 2029

Item 3. Legal Proceedings

On July 20, 2016, the Company was informed that the U.S. Department of Justice (the "DOJ") is conducting an investigation into the aviation fuel supply industry, including certain activities of the Company and other industry participants at an airport in Central America. In connection therewith, the Company was served with formal requests by the DOJ about its activities at that airport and its aviation fuel supply business more broadly. The Company is cooperating with the investigation.

From time to time, we are under review by the Internal Revenue Service and various other domestic and foreign tax authorities with regards to income tax and indirect tax matters and are involved in various challenges and litigation in a number of countries, including, in particular, US, Brazil and South Korea, where the amounts under controversy may be significant. See notes 8 and 10 of the accompanying consolidated financial statements for additional details regarding certain tax matters.

We are a party to various claims, complaints and proceedings arising in the ordinary course of our business including, but not limited to, environmental claims, commercial and governmental contract claims, such as property damage, demurrage, personal injury, billing and fuel quality claims, as well as bankruptcy preference claims and administrative claims. We are not currently a party to any such claim, complaint or proceeding that we expect to have a material adverse effect on our business or financial condition. However, any adverse resolution of one or more such claims, complaints or proceedings during a particular reporting period could have a material adverse effect on our consolidated financial statements or disclosures for that period.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol INT. As of December 30, 2016, the closing price of our stock on the NYSE was $45.91. The following table sets forth, for each quarter in 2016 and 2015, the high and low sales prices of our common stock as reported by the NYSE.

	Price	
	High	Low
2016		
First quarter	$ 49.50	$ 35.13
Second quarter	51.01	42.95
Third quarter	49.38	44.14
Fourth quarter	47.30	38.79
2015		
First quarter	$ 58.28	$ 45.66
Second quarter	57.72	47.95
Third quarter	49.29	34.44
Fourth quarter	45.63	35.96

As of February 3, 2017, there were 363 shareholders of record of our common stock.

Cash Dividends

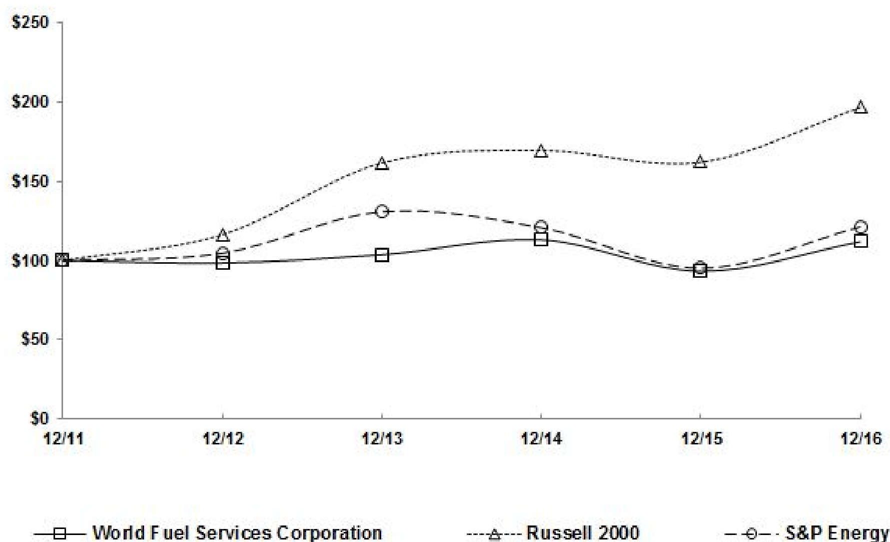
The following table sets forth the amount, the declaration date, record date and payment date for each quarterly cash dividend declared in 2016 and 2015.

	Per Share Amount	Declaration Date	Record Date	Payment Date
2016				
First quarter	$ 0.0600	March 3, 2016	March 18, 2016	April 8, 2016
Second quarter	0.0600	May 26, 2016	June 10, 2016	July 1, 2016
Third quarter	0.0600	September 12, 2016	September 23, 2016	October 12, 2016
Fourth quarter	0.0600	November 30, 2016	December 16, 2016	January 6, 2017
2015				
First quarter	$ 0.0600	March 3, 2015	March 20, 2015	April 10, 2015
Second quarter	0.0600	June 1, 2015	June 19, 2015	July 10, 2015
Third quarter	0.0600	September 9, 2015	September 21, 2015	October 13, 2015
Fourth quarter	0.0600	November 24, 2015	December 18, 2015	January 8, 2016

Our Credit Facility and Term Loans restrict the payment of cash dividends to a maximum of the sum of (i) $100.0 million plus (ii) 50% of the cumulative consolidated net income for each fiscal quarter beginning with the fiscal quarter ended March 31, 2016, plus (iii) 100% of the net proceeds of all equity issuances made after October 2013. For additional information regarding our Credit Facility and Term Loans, see Note 7 to the accompanying consolidated financial statements, included herein, and "Liquidity and Capital Resources" in "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations."

Stock Performance

This graph compares the total shareholder return on our common stock with the total return on the Russell 2000 Index and the S&P Energy Index for the five-year period from December 31, 2011 through December 31, 2016. The cumulative return includes reinvestment of dividends.



*$100 invested on 12/31/11 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

Copyright© 2017 Standard & Poor's, a division of S&P Global. All rights reserved.
Copyright© 2017 Russell Investment Group. All rights reserved.

Equity Compensation Plans

The following table summarizes securities authorized for issuance related to outstanding restricted stock units (“RSUs”) and stock-settled stock appreciation rights ("SSAR Awards") under our 2016 equity compensation plan (which was approved by our shareholders in May 2016) (the "2016 Plan") and available for future issuance under our 2016 Plan as of December 31, 2016 (in millions, except weighted average price data), as well as the 2006 equity compensation plan (the "2006 Plan"):

Plan name or description	(a) Maximum number of securities to be issued upon exercise of outstanding RSUs and SSAR Awards	(b) Weighted average exercise price of outstanding RSUs and SSAR Awards(1)	(c) Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a))
2016 Omnibus Plan	—	$ —	4.3
2006 Omnibus Plan (amended and restated)	1.5	$ 44.97	—

(1) Calculated without taking into account shares of common stock subject to the RSUs reported in column (a) and that will become issuable following vesting of such RSUs without any cash consideration or other payment required.

Issuer Purchases of Equity Securities

The following table presents information with respect to repurchases of common stock made by us during the quarterly period ended December 31, 2016 (in thousands, except average price per share):

Period	Total Number of Shares Purchased [(1)]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [(2)]
10/1/16-10/31/16	—	$ —	—	$ 100,000
11/1/16-11/30/16	562	40.91	556	77,243
12/1/16-12/31/16	—	—	—	77,243
Total	562	$ 40.91	556	$ 77,243

(1) These amounts include shares purchased as part of our publicly announced programs and shares owned and tendered by employees to satisfy the required withholding taxes related to share-based payment awards, which are not deducted from shares available to be purchased under publicly announced programs.

(2) In September 2016, our Board of Directors approved a common stock repurchase program which replaced the remainder of the existing program and authorized the purchase of up to $100.0 million in common stock (the “Repurchase Program”). The Repurchase Program does not require a minimum number of shares of common stock to be purchased, has no expiration date and may be suspended or discontinued at any time. As of December 31, 2016, $77.2 million remains available for purchase under the Repurchase Program. The timing and amount of shares of common stock to be repurchased under the program will depend on market conditions, share price, securities laws and other legal requirements and factors.

For information on repurchases of common stock for the first three quarters of 2016, see the corresponding Quarterly Report on Form 10-Q.

Item 6. Selected Financial Data

The following selected consolidated financial data should be read in conjunction with the consolidated financial statements and related notes thereto and Part II, Item 7 of this report appearing under the caption, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial data and "Risk Factors" included elsewhere in this 2016 10-K Report. The historical results are not necessarily indicative of the operating results to be expected in the future. All financial information presented has been prepared in U.S. dollars and in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
SELECTED CONSOLIDATED FINANCIAL DATA

(In millions, except earnings and dividends per share data)

	For the Year ended December 31,				
	2016 [1]	2015 [2][3]	2014 [2][4]	2013 [2][5]	2012 [2][6]
Revenue	$ 27,015.8	$ 30,381.4	$ 43,391.8	$ 41,559.9	$ 38,947.2
Cost of revenue	26,116.8	29,520.4	42,572.7	40,807.8	38,277.4
Gross profit	899.0	861.0	819.1	752.2	669.8
Operating expenses [7]	710.1	615.3	542.4	488.5	416.4
Income from operations	188.9	245.7	276.7	263.7	253.4
Non-operating income (expenses), net [8]	(46.7)	(27.9)	(1.9)	(15.4)	(17.4)
Income before income taxes	142.1	217.7	274.8	248.3	236.0
Provision for income taxes	15.7	47.2	53.6	46.0	38.0
Net income including noncontrolling interest	126.4	170.5	221.1	202.3	198.0
Net (loss) income attributable to noncontrolling interest	—	(3.9)	(3.3)	4.4	11.7
Net income attributable to World Fuel [8]	$ 126.5	$ 174.5	$ 224.5	$ 198.0	$ 186.3
Basic earnings per common share [8]	$ 1.82	$ 2.49	$ 3.17	$ 2.78	$ 2.62
Basic weighted average common shares	69.3	70.2	70.8	71.2	71.2
Diluted earnings per common share [8]	$ 1.81	$ 2.47	$ 3.15	$ 2.76	$ 2.59
Diluted weighted average common shares	69.8	70.7	71.3	71.8	71.8
Cash dividends declared per common share	$ 0.24	$ 0.24	$ 0.15	$ 0.15	$ 0.15

	As of December 31,				
	2016 [1]	2015 [2][3]	2014 [2][4]	2013 [2][5]	2012 [2][6]
Cash, cash equivalents and short-term investments	$ 698.6	$ 582.5	$ 302.3	$ 292.1	$ 172.7
Accounts receivable, net	2,344.0	1,812.6	2,308.2	2,538.6	2,193.9
Total current assets	3,836.6	3,246.0	3,675.2	3,815.5	3,281.4
Total assets	5,412.6	4,525.3	4,878.1	4,735.2	4,105.4
Total current liabilities	2,182.7	1,754.2	2,241.9	2,518.9	2,152.0
Total long-term liabilities	1,290.0	865.3	776.8	545.9	416.8
Total equity [9]	1,940.0	1,905.9	1,859.4	1,670.5	1,536.6

(1) In 2016, we acquired the assets of certain ExxonMobil affiliates in Canada and two airports in France on November 1st, and the U.K. and one airport in France on December 1st, as well as all of the outstanding stock of PAPCO, Inc. ("PAPCO") and Associated Petroleum Products, Inc. ("APP") on July 1st. We also completed six additional acquisitions which were not material, individually or in the aggregate. The financial position and results of operations of these acquisitions have been included in our consolidated financial statements since their respective acquisition dates.

(2) Certain prior period amounts have been revised to reflect the impact of adjustments made to the company's provision for income taxes.

(3) In 2015, we acquired all the outstanding stock of Pester Marketing Company (“Pester”) on September 1st and completed four additional acquisitions which were not material, individually or in the aggregate. The financial position and results of operations of these acquisitions have been included in our consolidated financial statements since their respective acquisition dates.

(4) In 2014, we acquired i) all of the outstanding stock of Watson Petroleum Limited (now known as WFL (UK) Limited) (“Watson Petroleum”) on March 7th, ii) all of the outstanding stock of Colt International, L.L.C. (“Colt”) on July 29th, and iii) completed three additional acquisitions which were not material, individually or in the aggregate. The financial position and results of operations of these acquisitions have been included in our consolidated financial statements since their respective acquisition dates.

(5) In 2013, we completed three acquisitions which were not material individually or in the aggregate. The financial position and results of operations of these acquisitions have been included in our consolidated financial statements since their respective acquisition dates.

(6) In 2012, we acquired i) certain assets of CarterEnergy Corporation, including the assets comprising its wholesale motor fuel distribution business (the “CarterEnergy business”) on September 1st, ii) certain assets of Multi Service Corporation, including the assets comprising its transaction management business, and all of the outstanding stock of its foreign subsidiaries (the “Multi Service business”) on December 31st and iii) completed three additional acquisitions which were not material individually or in the aggregate. The financial position and results of operations of these acquisitions have been included in our consolidated financial statements since their respective acquisition dates.

(7) Included in operating expenses are total non-cash compensation costs associated with share-based payment awards of $19.3 million for 2016, $17.0 million for 2015, $15.8 million for 2014, $16.7 million for 2013, and $14.1 million for 2012 and intangible amortization expense of $39.7 million for 2016, $30.4 million for 2015, $27.0 million for 2014, $22.6 million for 2013, and $18.1 million for 2012.

(8) Included in non-operating income (expenses), net for 2014 is a gain of $18.1 million related to the sale of our crude oil joint venture interests. The after-tax gain, net of certain related operating expenses was $9.9 million, or $0.14 per basic and diluted share.

(9) In 2016, we repurchased 963,217 shares of common stock for an aggregate value of $41.2 million. In 2015, we repurchased 1,584,000 shares of our common stock for an aggregate value of $70.5 million. In 2014, we repurchased 227,000 shares of our common stock for an aggregate value of $10.0 million. In 2013, we repurchased 926,000 shares of our common stock for an aggregate value of $35.0 million.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with “Item 6 – Selected Financial Data,” and with the accompanying consolidated financial statements and related notes thereto appearing elsewhere in this 2016 10-K Report. The following discussion may contain forward-looking statements, and our actual results may differ significantly from the results suggested by these forward-looking statements. Some factors that may cause our results to differ materially from the results and events anticipated or implied by such forward- looking statements are described in “Item 1A – Risk Factors” and under “Forward-Looking Statements.”

Overview

We are a global energy management company involved in providing energy procurement advisory services, supply fulfillment and transaction and payment management solutions to commercial and industrial customers, principally in the aviation, marine and transportation industries. We compete by providing our customers with value-added benefits, including single-supplier convenience, competitive pricing, the availability of trade credit, price risk management, logistical support, fuel quality control and fuel procurement outsourcing. We primarily contract with third parties for the delivery and storage of fuel products, however, we also operate storage facilities and transportation assets.

Business Outlook

Marine

Declines in commodity and energy prices, together with slow economic growth globally, continue to impact the shipping and offshore oil exploration markets, adversely affecting our marine segment. These macroeconomic trends are complex and present both opportunities and risks for our business. Sustained low fuel prices as compared to previous years, and limited volatility result in decreased per unit margins, reduced demand for our price risk management products, and lower sales to the offshore specialty market due to the significant reduction in offshore exploration activity. We expect that adverse conditions, specifically those in shipping markets will continue into 2017. Further, as previously communicated, we have substantially completed certain cost reduction activities in our Marine segment, which are designed to lower our marine segment cost structure and drive efficiencies. In connection with these activities, for the year ended December 31, 2016, we recognized a charge of approximately $4.0 million.

Aviation

Sustained low fuel prices have reduced the working capital cost required to support our aviation segment, thereby improving returns and making such capital available for investment in other areas of our business. A significant portion of our aviation business consists of providing fuel and related products and services to the U.S. and foreign governments. While we still expect military-related activity to decline over time, the related contribution to aviation profitability in 2016 increased compared to the levels we experienced in 2015. Demand for these products and services is driven by global events and military-related activities and can therefore significantly change from period to period.

Our aviation segment capabilities will benefit from the previously announced ExxonMobil transaction, where we agreed to acquire aviation fueling operations from certain ExxonMobil affiliates. This transaction once completed will expand our commercial and general aviation network by adding physical supply at more than 80 airports throughout Canada, France, U.K., Germany, Italy, New Zealand, and Australia. During the fourth quarter of 2016, we completed the acquisitions of the Canada, France and U.K. locations. Our integration team remains diligently engaged in completing this transaction and the remaining locations are expected to be completed during the first half of 2017. The transaction is subject to customary regulatory consents and closing conditions, including securing third party consents.

Land

We believe our land segment is well positioned to continue growing market share, both organically and through leveraging the capabilities of our acquisitions, including the recently completed PAPCO, Inc. ("PAPCO") and Associated Petroleum Products, Inc. ("APP") acquisitions. Headquartered in Virginia Beach, VA and Tacoma, WA, respectively, PAPCO and APP are leading distributors of gasoline, diesel, lubricants, propane and related services in the Mid-Atlantic and the Pacific Northwest regions of the United States, respectively. These acquisitions combined with our existing land segment operations, will serve to further enhance our commercial and industrial platforms to deliver value-added solutions to customers across the United States.

However, our land segment can be impacted substantially by weather conditions. In periods where we experience historically extreme weather conditions, demand for our products may be affected. For example, during 2016, we experienced unseasonably warm weather conditions in the U.K., which lowered demand for our fuel products. The continuation of unusual weather conditions in the future could adversely impact our results of operations.

General

In summary, our aviation segment delivered strong results, but our land and marine segments were both challenged. To address these challenges, in addition to our previously announced cost reduction activities that we effectively completed, we are embarking on additional cost reduction initiatives across the business.

We may also experience decreases in future sales volumes and margins as a result of further deterioration in the world economy, declines in the transportation industry, natural disasters and continued conflicts and instability in the Middle East, Asia and Latin America, as well as potential future terrorist activities and possible military retaliation.

Recent Developments

ExxonMobil Fueling Operations Acquisition
In the first quarter of 2016, we signed a definitive agreement to acquire from certain ExxonMobil affiliates their aviation fueling operations at more than 80 airport locations in Canada, the U.K, Germany, Italy, France, Australia and New Zealand. The total purchase price is approximately $260.0 million and is expected to be fully funded with cash on hand. On November 1, 2016, we completed the acquisition of the Canada locations and certain France locations. On December 1, 2016, we completed the acquisition of the U.K. locations and the remaining France location. The remaining locations are expected to be completed during the first half of 2017. The transaction is subject to customary regulatory consents and closing conditions, including securing third party consents.

Other Matters
On August 31, 2016, Hanjin Shipping Co., Ltd. (“Hanjin”), one of our customers in our marine segment, filed for bankruptcy protection in South Korea and on September 1, 2016, the Korean Rehabilitation Court accepted Hanjin’s application for rehabilitation. On February 2, 2017, the Korean Rehabilitation Court terminated Hanjin’s rehabilitation process. It is expected that Hanjin will declare Bankruptcy on or about February 17, 2017 and commence liquidation proceedings. During the quarter ended December 31, 2016, we wrote off approximately $5.8 million of Hanjin receivables associated with specific vessels against which enforcement of our maritime liens is unlikely to be successful. As of December 31, 2016, we had outstanding receivables of approximately $7.0 million, net of anticipated insurance recoveries. While we believe we will recover all or substantially all of the outstanding receivables, there can be no assurance that we will be able to recover all of the remaining amounts owed or fully mitigate all losses.

In connection with the December 2016 bankruptcy filing of our former joint venture partner, we wrote off approximately $7.5 million of outstanding amounts owed to us by our former joint venture partner, during the three months ended December 31, 2016.

Reportable Segments
We operate in three reportable segments consisting of aviation, marine and land. In our aviation segment, we offer fuel and related products and services to major commercial airlines, second and third tier airlines, cargo carriers, regional and low cost carriers, airports, fixed based operators, corporate fleets, fractional operators, private aircraft, military fleets and the U.S. and foreign governments as well as intergovernmental organizations. In our land segment, we offer fuel, lubricants, power and natural gas solutions through Kinect, our global energy management services platform, and related products and services to customers including petroleum distributors operating in the land transportation market, retail petroleum operators, and industrial, commercial, residential and government customers. Our marine segment product and service offerings include fuel, lubricants and related products and services to a broad base of customers, including international container and tanker fleets, commercial cruise lines, yachts and time charter operators, offshore rig owners and operators, the U.S. and foreign governments as well as other fuel suppliers. Within each of our segments we may enter into derivative contracts to mitigate the risk of market price fluctuations and also to offer our customers fuel pricing alternatives to meet their needs.

In our aviation and land segments, we primarily purchase and resell fuel and other products, and we do not act as brokers. Profit from our aviation and land segments is primarily determined by the volume and the gross profit achieved on fuel sales and a percentage of card payment and processing revenue. In our marine segment, we primarily purchase and resell fuel and also act as brokers for others. Profit from our marine segment is determined primarily by the volume and gross profit achieved on fuel resales and by the volume and commission rate of the brokering business. Profitability in our segments also depends on our operating expenses, which may be significantly affected to the extent that we are required to provide for potential bad debt.

Our revenue and cost of revenue are significantly impacted by fuel prices. Our operating results are subject to seasonal variability. Seasonality results from numerous factors, including traditionally higher demand for natural gas and home heating oil during the winter months and aviation and land fuel during the summer months, as well as other seasonal weather patterns. Additionally, significant movements in fuel prices during any given financial period can have a significant impact on our gross profit, either positively or negatively depending on the direction, volatility and timing of such price movements.

Corporate expenses are allocated to each segment based on usage, where possible, or on other factors according to the nature of the activity. We evaluate and manage our business segments using the performance measurement of income from operations.

The results of operations include the results of (i) the fueling operations acquired from certain ExxonMobil affiliates in Canada and France, both commencing on November 1, 2016, (ii) the fueling operations acquired from certain ExxonMobil affiliates in the U.K. and the remaining location in France, both commencing on December 1, 2016, (iii) PAPCO and APP, both commencing on July 1, 2016, (v) Pester commencing on September 1, 2015, however, the Pester retail operations are excluded commencing May 1, 2016, the effective date of the divestment of the retail operations, (vii) Watson Petroleum commencing on March 7, 2014 and (vii) Colt commencing on July 29, 2014; their respective acquisition dates.

Selected financial information with respect to our business segments is provided in Note 12 to the accompanying consolidated financial statements included in this 2016 10-K Report.

Results of Operations

In our aviation and land segments, we primarily purchase and resell fuel and other products, and we do not act as brokers. Profit from our aviation and land segments is primarily determined by the volume and the gross profit achieved on fuel sales and a percentage of card payment and processing revenue. In our marine segment, we primarily purchase and resell fuel and also act as brokers for others. Profit from our marine segment is determined primarily by the volume and gross profit achieved on fuel sales and by the volume and commission rate of the brokering business. Profitability in our segments also depends on our operating expenses, which may be significantly affected to the extent that we are required to provide for potential bad debt.

Our revenue and cost of revenue are significantly impacted by fuel prices. Our operating results are subject to seasonal variability. Seasonality results from various factors, including traditionally higher demand for natural gas and home heating oil during the winter months, and aviation and land fuel during the summer months, as well as other seasonal weather patterns. Additionally, significant movements in fuel prices during any given financial period can have a significant impact on our gross profit, either positively or negatively depending on the direction, volatility and timing of such price movements.

2016 compared to 2015

Revenue. Our revenue for 2016 was $27.0 billion, a decrease of $3.4 billion, or 11.1%, as compared to 2015. Our revenue during these periods was attributable to the following segments (in millions):

	2016	2015	$ Change
Aviation segment	$ 10,914.4	$ 11,739.8	$ (825.4)
Marine segment	7,182.5	9,367.2	(2,184.7)
Land segment	8,918.8	9,274.3	(355.5)
Total	$ 27,015.8	$ 30,381.4	$ (3,365.6)

Revenues in our aviation segment were $10.9 billion for the year ended 2016, a decrease of $0.8 billion, or 7.0% as compared to 2015. The decline in aviation revenues was driven by lower average jet fuel prices per gallon sold during the year ended 2016, where the average price per gallon sold was $1.53, as compared to $1.85 in 2015. The overall decline attributable to jet fuel prices was partially offset by increased volume, where volumes for the year ended 2016 were 7.1 billion gallons, an increase of 12.4%, as compared to 2015.

Revenues in our marine segment were $7.2 billion for the year ended 2016, a decrease of $2.2 billion, or 23.3%, as compared to 2015. The decrease was driven primarily by a 20.1% decline in the average price per metric ton sold, to $229.17 for the year ended 2016, as compared to $286.9 in 2015. Volumes in our marine segment for the year ended 2016 were 31.4 million metric tons, a decrease of 1.3 million metric tons or 4.0%, as compared to 2015.

Revenues in our land segment were $8.9 billion for the year ended 2016, a decrease of $0.4 billion, or 3.8%, as compared to 2015. The decline in land revenues primarily resulted from a lower average fuel price per gallon sold during the year ended 2016, where the average price per gallon sold was $1.66, as compared to $1.88 in 2015. The overall decline was partially offset by an increase in volumes, from new customers and acquired businesses, where volumes for the year ended 2016 were 5.4 billion gallons, an increase of $433.2 million, or 8.8%, as compared to 2015.

Gross Profit. Our gross profit for 2016 was $899.0 million, an increase of $38.0 million, or 4.4%, as compared to 2015. Our gross profit during these periods was attributable to the following segments (in millions):

	2016	2015	$ Change
Aviation segment	$ 401.0	$ 361.9	$ 39.1
Marine segment	149.5	189.6	(40.1)
Land segment	348.5	309.5	39.0
Total	$ 899.0	$ 861.0	$ 38.0

Our aviation segment gross profit for the year ended 2016 was $401.0 million, an increase of $39.1 million, or 10.8%, as compared to 2015. The increase in aviation gross profit was due to increased volume attributable to the core resale business in North America and Europe, as well as increased activity in our U.S. and foreign military-related businesses.

Our marine segment gross profit for the year ended 2016 was $149.5 million, a decrease of $40.1 million, or 21.1%, as compared to 2015. The marine segment continued to be adversely impacted by the prolonged weakness in the overall maritime industry. The lower fuel price environment combined with lower price volatility, led to decreased demand for our price risk management offerings, which contributed to lower overall unit margins.

Our land segment gross profit for the year ended 2016 was $348.5 million, an increase of $39.0 million, or 12.6%, as compared to 2015. The increase in land segment gross profit was primarily driven by recently acquired businesses, including PAPCO, APP and acquisitions in Kinect, our global energy management services business. Increases in our land segment were partially offset by lower demand in the U.K. due to unseasonably warm weather conditions.

Operating Expenses. Total operating expenses for 2016 were $710.1 million, an increase of $94.8 million, or 15.4%, as compared to 2015. The following table sets forth our expense categories (in millions):

	2016	2015	$ Change
Compensation and employee benefits	$ 413.3	$ 365.8	$ 47.5
Provision for bad debt	15.4	7.5	8.0
General and administrative	281.4	242.1	39.3
Total	$ 710.1	$ 615.3	$ 94.8

Of the $47.5 million increase in compensation and employee benefits, $29.4 million was due to expenses related to acquired businesses and $18.1 million was due to compensation for new hires to support our growing global business. The $39.3 million increase in general and administrative expenses was principally due to expenses related to acquired businesses.

Income from Operations. Our income from operations for 2016 was $188.9 million, a decrease of $56.8 million, or 23.1%, as compared to 2015. Income from operations during these periods was attributable to the following segments (in millions):

	2016	2015	$ Change
Aviation segment	$ 160.5	$ 132.2	$ 28.3
Marine segment	30.2	73.0	(42.7)
Land segment	70.8	101.4	(30.6)
	261.5	306.5	(45.0)
Corporate overhead - unallocated	72.7	60.9	11.8
Total	$ 188.9	$ 245.7	$ (56.8)

Our income from operations, including unallocated corporate overhead, for the year ended 2016 was $188.9 million, a decrease of $56.8 million, or 23.1%, as compared to 2015. The decline was attributable to our marine segment and our land segment. In our marine segment, income from operations for the year ended 2016 was $30.2 million, a decrease of $42.7 million, or 58.6%, as compared to 2015. Our marine segment continued to be adversely impacted by the prolonged weakness in the overall maritime industry. The lower fuel price environment, combined with lower price volatility and to a lesser extent, increased competition, led to decreased demand for our price risk management offerings and lower overall unit margins in 2016 as compared to 2015. In addition, certain large marine customers

experienced financial challenges, which created disruption and resulted in lower sales to such customers. In our land segment, income from operations for the year ended 2016 was $70.8 million, a decrease of $30.6 million, or 30.1% as compared to 2015 due to the higher compensation expenses and increased amortization expenses related to acquired businesses. The declines in our income from operations in our marine and land segments were partially offset by increases in our aviation segment of $28.3 million, or 21.4%, where our aviation segment benefited from increased volume attributable to our core resale business in North America and Europe, and increased activity in our U.S. and foreign military-related businesses.

Corporate overhead costs not charged to the business segments for the year ended 2016 were $72.7 million, an increase of $11.8 million, or 19.4%, as compared to 2015, principally driven by additional costs related to overall corporate enterprise activities that are not charged to the business segments and are designed to support our growing global business.

Non-Operating Expenses, net. We had non-operating expenses, net of $46.7 million and $27.9 million, for the year ended 2016 and 2015, respectively. Increased debt costs of $8.8 million resulted from higher average borrowings in 2016 as compared to 2015. Also, in connection with the December 2016 bankruptcy filing of our former joint venture partner, we wrote off approximately $7.5 million of outstanding amounts owed to us by our former joint venture partner, during the three months ended December 31, 2016. These expenses were offset by a $4.4 million million positive change related to foreign currency exchange during 2016 as compared to 2015.

Income Taxes. For the year ended 2016, our effective income tax rate was 11.0% and our income tax provision was $15.7 million, as compared to an effective income tax rate of 21.7% and an income tax provision of $47.2 million in 2015. The lower effective income tax rate for 2016, as compared to 2015, resulted principally from differences in the results of our subsidiaries in tax jurisdictions with different income tax rates.

Net Income and Diluted Earnings per Common Share. Our net income for the year ended 2016 was $126.5 million, a decrease of $48.0 million, or 27.5%, as compared to 2015. Diluted earnings per common share for the year ended 2016 was $1.81 per common share, a decrease of $0.66 per common share, or 26.7%, as compared to 2015.

2015 compared to 2014

Revenue. Our revenue for 2015 was $30.4 billion, a decrease of $13.0 billion, or 30.0%, as compared to 2014. Our revenue during these periods was attributable to the following segments (in millions):

	2015	2014	$ Change
Aviation segment	$ 11,739.8	$ 17,268.8	$ (5,529.0)
Marine segment	9,367.2	13,843.3	(4,476.1)
Land segment	9,274.3	12,279.6	(3,005.3)
Total	$ 30,381.4	$ 43,391.8	$ (13,010.4)

Our aviation segment revenue for 2015 was $11.7 billion, a decrease of $5.5 billion, or 32.0% as compared to 2014. Of the decrease in aviation segment revenue, $7.4 billion was due to a decrease in the average price per gallon sold as a result of lower average jet fuel prices in 2015 as compared to 2014, which was partially offset by $1.9 billion principally due to increased volume attributable to new and existing customers.

Our marine segment revenue for 2015 was $9.4 billion, a decrease of $4.5 billion, or 32.3% as compared to 2014. Of the decrease in marine segment revenue, $8.2 billion was due to a decrease in the average price per metric ton sold as a result of lower average marine fuel prices in 2015 as compared to 2014, which was partially offset by $3.7 billion due to increased volume attributable to new and existing customers.

Our land segment revenue for 2015 was $9.3 billion, a decrease of $3.0 billion, or 24.5%, as compared to 2014. Of the decrease in land segment revenue, $5.0 billion was due to a decrease in the average price per gallon sold as a result of lower average land fuel prices in 2015 as compared to 2014, which was partially offset by $1.6 billion due to increased volume attributable to new and existing customers and $0.4 billion due to revenue from acquired businesses.

Gross Profit. Our gross profit for 2015 was $861.0 million, an increase of $41.9 million, or 5.1%, as compared to 2014. Our gross profit during these periods was attributable to the following segments (in millions):

	2015	2014	$ Change
Aviation segment	$ 361.9	$ 323.4	$ 38.5
Marine segment	189.6	207.8	(18.2)
Land segment	309.5	287.9	21.6
Total	$ 861.0	$ 819.1	$ 41.9

Our aviation segment gross profit for 2015 was $361.9 million, an increase of $38.5 million, or 11.9%, as compared to 2014. Of the increase in aviation segment gross profit, $31.0 million was due to increased volume attributable to new and existing customers and $27.4 million was due to gross profit from acquired businesses. These increases were partially offset by $19.9 million in lower gross profit per gallon sold due to fluctuations in customer mix.

Our marine segment gross profit for 2015 was $189.6 million, a decrease of $18.2 million, or 8.8%, as compared to 2014. Of the decrease in marine segment gross profit, $71.2 million was due to lower gross profit per metric ton sold in 2015 as compared to 2014 due to fluctuations in customer mix, which was partially offset by $53.0 million in increased volume attributable to new and existing customers.

Our land segment gross profit for 2015 was $309.5 million, an increase of $21.6 million, or 7.5%, as compared to 2014. Of the increase in land segment gross profit, $37.5 million was due to increased volume attributable to new and existing customers and $26.7 million was due to gross profit from acquired businesses. These increases were partially offset by $42.6 million in lower gross profit per gallon sold due to fluctuations in customer mix.

Operating Expenses. Total operating expenses for 2015 were $615.3 million, an increase of $72.9 million, or 13.5%, as compared to 2014. The following table sets forth our expense categories (in millions):

	2015	2014	$ Change
Compensation and employee benefits	$ 365.8	$ 319.8	$ 46.0
Provision for bad debt	7.5	3.8	3.7
General and administrative	242.1	218.8	23.3
Total	$ 615.3	$ 542.4	$ 72.9

Of the $46.0 million increase in compensation and employee benefits, $24.4 million was due to the inclusion of expenses from acquired businesses and $21.6 million was principally due to compensation for new hires to support our growing global business. Of the $23.3 million increase in general and administrative expenses, $21.4 million was due to the inclusion of expenses from acquired businesses and $1.9 million was due to increased general and administrative expenses to support our growing global business.

Income from Operations. Our income from operations for 2015 was $245.7 million, a decrease of $31.0 million, or 11.2%, as compared to 2014. Income from operations during these periods was attributable to the following segments (in millions):

	2015	2014	$ Change
Aviation segment	$ 132.2	$ 144.1	$ (11.9)
Marine segment	73.0	92.2	(19.2)
Land segment	101.4	93.9	7.5
	306.5	330.2	(23.7)
Corporate overhead - unallocated	60.9	53.5	7.3
Total	$ 245.7	$ 276.7	$ (31.0)

Our aviation segment income from operations for 2015 was $132.2 million, a decrease of $11.9 million, or 8.3%, as compared to 2014. This decrease resulted from a $50.4 million increase in operating expenses, which was partially

offset by $38.5 million in higher gross profit. Of the increase in operating expenses, $28.2 million was related to the inclusion of acquired businesses, $3.8 million was related to the termination of the employment agreement of our former Aviation Segment President and $18.4 million was due to increased operating expenses to support our growing global business.

Our marine segment income from operations for 2015 was $73.0 million, a decrease of $19.2 million, or 20.9%, as compared to 2014. This decrease resulted from $18.2 million in lower gross profit and a $1.0 million increase in operating expenses.

Our land segment income from operations for 2015 was $101.4 million, an increase of $7.5 million, or 8.0%, as compared to 2014. This increase resulted from $21.6 million in higher gross profit, which was partially offset by a $14.2 million increase in operating expenses. The increase in operating expenses was principally due to expenses related to acquired businesses.

Corporate overhead costs not charged to the business segments for 2015 were $60.9 million, an increase of $7.3 million, or 13.7%, as compared to 2014. This increase was principally due to increased expenses to support our growing global business.

Non-Operating (Expenses) Income, net. For 2015, we had non-operating expenses, net of $27.9 million, as compared to non-operating expenses, net of $1.9 million in 2014. This $26.0 million change was principally due to an $18.1 million gain on the sale of our crude oil joint venture interests in 2014, a $6.7 million reduction of equity earnings in 2015 as compared to 2014 and a $4.7 million increase in interest expense and other financing costs, net, as a result of higher average borrowings in 2015 as compared to 2014. The decrease in earnings from our equity investments is principally related to the sale of our crude oil transloading joint venture in December 2014.

Income Taxes. For 2015, our effective income tax rate was 21.7% and our income tax provision was $47.2 million, as compared to an effective income tax rate of 19.5% and an income tax provision of $53.6 million for 2014. The higher effective income tax rate for 2015 resulted primarily from differences in the results of our subsidiaries in tax jurisdictions with different income tax rates.

Net Loss Attributable to Noncontrolling Interest. For 2015, net loss attributable to noncontrolling interest was $3.9 million as compared to net loss attributable to noncontrolling interest of $3.3 million for 2014.

Net Income and Diluted Earnings per Common Share. Our net income for 2015 was $174.5 million, a decrease of $50.0 million, or 22.3%, as compared to 2014. Diluted earnings per common share for 2015 was $2.47 per common share, a decrease of $0.68 per common share, or 21.6% as compared to 2014.

Liquidity and Capital Resources

Cash Flows

The following table reflects the major categories of cash flows for 2016, 2015 and 2014. For additional details, please see the consolidated statements of cash flows in the consolidated financial statements.

	2016	2015	2014
Net cash provided by operating activities	$ 205.2	$ 447.5	$ 141.1
Net cash used in investing activities	(428.5)	(144.8)	(297.1)
Net cash provided by financing activities	340.9	(17.0)	169.5

2016 compared to 2015

Operating Activities. For 2016, net cash provided by operating activities was $205.2 million as compared to $447.5 million for 2015. The $242.2 million decrease in operating cash flows was primarily due to year-over-year changes in assets and liabilities, net of acquisitions. Cash flows from changes in inventory, resulted in a cash use of $130.9 million in 2016 as compared to 2015, primarily as a result of additional inventory in support of overall volume increases, specifically in our aviation and land segments. Additionally, cash flows from net accounts receivable and accounts payable balances, decreased $86.9 million primarily to fund the working capital needs of the aviation fueling business acquired. In 2016, changes in short-term derivative assets provided cash of 163.7 million as compared to $81.5 million in 2015. This $82.3 million positive cash flow change was offset by a $43.3 million negative cash flow change in short-

term derivative liabilities, reported within accrued expenses and other current liabilities, both of which primarily related to a decline in fuel prices.

Investing Activities. For 2016, net cash used in investing activities was $428.5 million as compared to $144.8 million for 2015. The $283.7 million increase in cash used in investing activities was principally due to an increase in the cash used for the acquisition of businesses in 2016 as compared to 2015.

Financing Activities. For 2016, net cash provided by financing activities was $340.9 million as compared to $17.0 million provided by financing activities for 2015. The $357.9 million increase in cash provided by financing activities was primarily due to a $328.4 million increase in net borrowing under our credit facility in 2016 as compared to 2015.

2015 compared to 2014

Operating Activities. For 2015, net cash provided by operating activities was $447.5 million as compared to $141.1 million for 2014. The $306.3 million increase in operating cash flows was primarily due to year-over-year changes in assets and liabilities, net of acquisitions. Specifically, in 2015 changes in cash collateral with financial counterparties provided cash of $133.3 million as compared to cash used of $288.0 million in 2014. This $421.4 million positive cash flow change was due to the sharp decline in fuel prices in the latter part of 2014, which directly impacted the amount of collateral we were required to post with our financial counterparties in connection with our commodity contracts during 2014, and the subsequent maturation of these contracts in 2015. Additionally, in 2015 changes in short-term derivative assets provided cash of $81.5 million as compared to cash used of $265.8 million in 2014. This $347.2 million positive cash flow change was offset by a $373.3 million negative cash flow change in short-term derivative liabilities, reported within accrued expenses and other current liabilities, both of which primarily related to the decline in fuel prices and, to a lesser extent, an increase in the volume of commodity contracts executed with counterparties. The net positive cash flow changes noted above were partially offset by a $150.9 million cash flow change in inventories due to the continued decline in fuel prices.

Investing Activities. For 2015, net cash used in investing activities was $144.8 million as compared to $297.1 million for 2014. The $152.3 million decrease in cash used in investing activities was principally due to a decrease in the cash used for the acquisition of businesses in 2015 as compared to 2014.

Financing Activities. For 2015, net cash used in financing activities was $17.0 million as compared to $169.5 million provided by financing activities for 2014. The $186.6 million decrease in cash provided by financing activities was principally due to a $126.5 million decrease in net borrowing in 2015 as compared to 2014 and $60.5 million increase of common stock repurchases in 2015 as compared to 2014.

Other Liquidity Measures

Cash and Cash Equivalents. As of December 31, 2016 and 2015, we had cash and cash equivalents of $698.6 million and $582.5 million, respectively. Our primary uses of cash and cash equivalents are to make strategic investments, primarily acquisitions, and to purchase inventory. We are extended unsecured trade credit from nearly all of our suppliers for our fuel purchases; however, a small number of suppliers require us to either prepay or provide a letter of credit. Increases in oil prices can negatively affect liquidity by increasing the amount of cash needed to fund fuel purchases as well as reducing the amount of fuel which we can purchase on an unsecured basis from our suppliers.

Credit Facility and Term Loans. On October 26, 2016, we amended our Credit Facility which added a new $520.0 million Term Loan facility, thereby increasing the aggregate outstanding Term Loans to approximately $840.0 million, and expanded our right to request increases in available borrowings up to an additional $200.0 million, subject to the satisfaction of certain conditions. The amended Credit Facility matures in October 2021. We had outstanding borrowings under our Credit Facility totaling $325.2 million and $416.0 million as of December 31, 2016 and December 31, 2015, respectively. Our issued letters of credit under the Credit Facility totaled $8.3 million and $5.5 million as of December 31, 2016 and December 31, 2015, respectively. We also had $840.0 million and $333.2 million in Term Loans outstanding as of December 31, 2016 and December 31, 2015, respectively. As of December 31, 2016 and December 31, 2015, the unused portion of our Credit Facility was $926.5 million and $838.5 million, respectively.

Our liquidity, consisting of cash and cash equivalents and availability under the Credit Facility fluctuates based on a number of factors, including the timing of receipts from our customers and payments to our suppliers as well as commodity prices. Availability under our Credit Facility is also limited by, among other things our financial leverage ratio, which limits the total amount of indebtedness we may incur, and may therefore fluctuate from period to period.

Our Credit Facility and our Term Loans contain certain financial and other covenants with which we are required to comply. Our failure to comply with the covenants contained in our Credit Facility and our Term Loans could result in an event of default. An event of default, if not cured or waived, would permit acceleration of any outstanding indebtedness under the Credit Facility and our Term Loans, trigger cross-defaults under certain other agreements to which we are a party and impair our ability to obtain working capital advances and issue letters of credit, which would have a material adverse effect on our business, financial condition, results of operations and cash flows. As of December 31, 2016, we were in compliance with all financial and other covenants contained in our Credit Facility and our Term Loans.

Other Credit Lines and Receivables Purchase Agreements. Additionally, we have other uncommitted credit lines primarily for the issuance of letters of credit, bank guarantees and bankers' acceptances. These credit lines are renewable on an annual basis and are subject to fees at market rates. As of December 31, 2016 and December 31, 2015, our outstanding letters of credit and bank guarantees under these credit lines totaled $176.5 million and $208.4 million, respectively. We also have Receivables Purchase Agreements ("RPAs") that allow for the sale of up to an aggregate of $600.0 million of our accounts receivable. As of December 31, 2016, we had sold accounts receivable of $235.5 million under the RPAs.

Short-Term Debt. As of December 31, 2016, our short-term debt of $15.4 million primarily represents the current maturities (within the next twelve months) of Term Loan borrowings, certain promissory notes related to acquisitions and capital lease obligations.

We previously committed to undertake a multi-year project designed to drive greater improvement in operating efficiencies and optimize scalability designed to incorporate acquisitions that we may undertake in the future. We will accomplish this in part by a global design and deployment of an upgrade to our existing ERP platform. We are currently in the design phase and the cost incurred during 2016 was not considered significant. We expect the total cost of the project over the next three years to range between $30.0 million and $40.0 million.

We believe that our cash and cash equivalents as of December 31, 2016 (of which $176.4 million was available for use by our U.S. subsidiaries without incurring additional costs) and available funds from our Credit Facility, together with cash flows generated by operations, remain sufficient to fund our working capital and capital expenditure requirements for at least the next twelve months. In addition, to further enhance our liquidity profile, we may choose to raise additional funds which may or may not be needed for additional working capital, capital expenditures or other strategic investments. Our opinions concerning liquidity are based on currently available information. To the extent this information proves to be inaccurate, or if circumstances change, future availability of trade credit or other sources of financing may be reduced and our liquidity would be adversely affected. Factors that may affect the availability of trade credit or other forms of financing include our financial performance (as measured by various factors, including cash provided by operating activities), the state of worldwide credit markets, and our levels of outstanding debt. Depending on the severity and direct impact of these factors on us, financing may be limited or unavailable on terms favorable to us.

Contractual Obligations and Off-Balance Sheet Arrangements

Our significant contractual obligations and off-balance sheet arrangements are set forth below. For additional information on any of the following and other contractual obligations and off-balance sheet arrangements, see Notes 7 and 8 in the notes to the consolidated financial statements in Item 15 of this 2016 10-K Report.

Contractual Obligations

Debt and Interest Obligations. These obligations include principal and interest payments on fixed-rate and variable-rate, fixed-term debt based on the expected payment dates.

Other Obligations. These obligations primarily consist of deferred compensation arrangements.

Unrecognized Income Tax Liabilities. As of December 31, 2016, our gross liabilities for unrecognized income tax benefits ("Unrecognized Tax Liabilities"), including penalties and interest, were $68.6 million. The timing of any settlement of our Unrecognized Tax Liabilities with the respective taxing authority cannot be reasonably estimated.

As of December 31, 2016, our contractual obligations were as follows (in millions):

	Total	< 1 year	1-3 years	3-5 years	> 5 years
Debt and interest obligations	$ 1,353.5	$ 50.4	$ 132.0	$ 1,169.0	$ 2.2
Operating lease obligations	149.8	38.4	46.8	29.8	34.7
Employment agreement obligations	1.3	1.3	—	—	—
Derivatives obligations	369.6	323.2	46.4	—	—
Purchase commitment obligations	143.5	137.8	5.7	—	—
Other obligations	13.5	8.5	4.1	0.7	0.2
Total	$ 2,031.2	$ 559.6	$ 235.1	$ 1,199.5	$ 37.0

Additionally, in connection with the ExxonMobil transaction, we have certain purchase contracts, under which we agreed to purchase between 1.69 million barrels and 2.02 million barrels of aviation fuel at future market prices. The term of those agreement are for 10 years and have a 5 year renewal option, exercisable by mutual agreement.

Off-Balance Sheet Arrangements

Letters of Credit and Bank Guarantees. In the normal course of business, we are required to provide letters of credit to certain suppliers. A majority of these letters of credit expire within one year from their issuance, and expired letters of credit are renewed as needed.

As of December 31, 2016, we had issued letters of credit and bank guarantees totaling $184.8 million under our Credit Facility and other uncommitted credit lines. For additional information on our Credit Facility and other credit lines, see the discussion in “Liquidity and Capital Resources” above.

Surety Bonds. In the normal course of business, we are required to post bid, performance and garnishment bonds, primarily in our aviation and land segments. As of December 31, 2016, we had $52.8 million in outstanding bonds that were arranged in order to satisfy various security requirements.

Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements included elsewhere in this 2016 10-K Report, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to unbilled revenue and related costs of sales, bad debt, share-based payment awards, derivatives, goodwill and identifiable intangible assets and certain accrued liabilities. We base our estimates on historical experience and on other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We have identified the policies below as critical to our business operations and the understanding of our results of operations. For a detailed discussion on the application of these and other significant accounting policies, see Note 1 to the accompanying consolidated financial statements included in this 2016 10-K Report.

Accounts Receivable and Allowance for Bad Debt

Credit extension, monitoring and collection are performed for each of our business segments. Each segment has a credit committee that is responsible for approving credit limits above certain amounts, setting and maintaining credit standards, and managing the overall quality of the credit portfolio. We perform ongoing credit evaluations of our customers and adjust credit limits based upon payment history and the customer’s current creditworthiness, as determined by our review of our customer’s credit information. We extend credit on an unsecured basis to most of our customers. Accounts receivable are deemed past due based on contractual terms agreed to with our customers. Although we analyze customers’ payment history and creditworthiness, we cannot predict with certainty that the customers to whom we extend credit will be able to remit payments on a timely basis, or at all. Because we extend credit on an unsecured basis to most of our customers, there is a possibility that any accounts receivable not collected will ultimately need to be written off. Write-offs for the year ended December 31, 2016 did not have a significant impact on our consolidated statement of operations.

We continuously monitor collections and payments from our customers and maintain a provision for estimated credit losses based upon our historical experience with our customers, current market and industry conditions affecting our customers and any specific customer collection issues that we have identified. Historical payment trends may not, however, be an accurate indicator of current or future credit worthiness of our customers, particularly in difficult economic and financial markets. As a result of the limited predictability inherent in estimating which customers are less likely or unlikely to remit amounts owed to us, our provision for estimated credit losses may not be sufficient. Any write-off of accounts receivable in excess of our provision for estimated credit losses would have an adverse effect on our results of operations.

If credit losses exceed established allowances, our business, financial condition, results of operations and cash flows may be adversely affected. For additional information on the credit risks inherent in our business, see "Item 1A – Risk Factors" in this 2016 10-K Report.

Inventories
Inventories are valued primarily using average cost, and first-in first-out in certain limited locations, and are stated at the lower of average cost or market. We utilize a variety of fuel indices and other indicators of market value. Sharp negative changes in these indices can result in reduction of our inventory valuation, which could have an adverse impact on our results of operations in the period in which we take the adjustment. Historically these adjustments have not had a significant impact on our consolidated statements of operations. Components of inventory include fuel purchase costs, the related transportation costs and changes in the estimated fair market values for inventories included in a fair value hedge relationship.

Derivatives
We enter into financial derivative contracts to mitigate the risk of market price fluctuations in aviation, marine and land fuel, to offer our customers fuel pricing alternatives to meet their needs and to mitigate the risk due to changes in foreign currency exchange rates. While we currently believe that our derivative contracts will be effective in mitigating the associated price risks, it is possible that our derivative instruments will be ineffective at mitigating material changes in prices, which could have an adverse impact on our financial position and results of operations. At the inception and on an ongoing basis, we assess the hedging relationship to determine its effectiveness in offsetting changes in cash flows or fair value attributable to the hedged risk.

The fair value of our derivatives is derived using observable and certain unobservable inputs, such as basis differentials, which are based on the difference between the historical prices of our prior transactions and the underlying observable data. Measurement of the fair value of our derivatives also requires the assessment of certain risks related to non-performance, which requires a significant amount of judgment. The effect on our income before income taxes of a 10% change in the model input for non-performance risk would not be significant to our consolidated statements of operations.

We also enter into proprietary derivative transactions, primarily intended to capitalize on market opportunities related to fuel products we sell. Our limited amounts of proprietary derivative transactions carry a higher degree of risk than our other derivative activities due to the speculative nature of these transactions. For the year ended December 31, 2016, our proprietary derivative transactions did not have a significant impact to our consolidated statement of operations.

We have applied the normal purchase and normal sales exception ("NPNS"), as provided by accounting guidance for derivative instruments and hedging activities, to certain of our physical forward sales and purchase contracts. While these contracts are considered derivative instruments under the guidance for derivative instruments and hedging activities, they are not recorded at fair value, but rather are recorded in our consolidated financial statements when physical settlement of the contracts occurs. If it is determined that a transaction designated as NPNS no longer meets the scope of the exception, the fair value of the related contract is recognized as an asset or liability on the consolidated balance sheets and the changes in the the fair value of the contract is immediately recognized through earnings.

Our derivative contracts are subject to the accounting guidance for derivative instruments and recognized at their estimated fair market value in accordance with the accounting guidance for fair value measurements. If the derivative instrument is not designated as a hedge, changes in the estimated fair market value are recognized as a component of revenue, cost of revenue or other income (expense), net (based on the underlying transaction type) in the consolidated statements of income and comprehensive income. Derivatives which qualify for hedge accounting may be designated as either a fair value or cash flow hedge. For our fair value hedges, changes in the estimated fair market value of the hedging instrument and the hedged item are recognized in the same line item as a component of either revenue or

cost of revenue (based on the underlying transaction type) in the consolidated statements of income and comprehensive income. For our cash flow hedges, the effective portion of the changes in the fair market value of the hedging instrument is initially recognized as a component of other comprehensive income in the shareholders' equity section of the consolidated balance sheets and subsequently reclassified into the same line item as the underlying forecasted transaction when both are settled or deemed probable of not occurring. The ineffective portion of the changes in the estimated fair market value of the hedging instrument is recognized in the same line item as a component of either revenue or cost of revenue (based on the underlying transaction type) in the consolidated statements of income and comprehensive income. Cash flows for our hedging instruments used in our hedges are classified in the same category as the cash flow from the hedged items. If for any reason hedge accounting is discontinued, then any cash flows subsequent to the date of discontinuance shall be classified in a manner consistent with the nature of the instrument.

To qualify for hedge accounting, the hedging relationship between the hedging instruments and hedged items must be expected to be highly effective in achieving offsetting changes in the fair values or cash flows attributable to the hedged risk at the inception of the hedge. We use a regression analysis based on historical spot prices in assessing the qualification for our fair value and cash flow hedges. However, our measurement of hedge ineffectiveness for our fair value inventory hedges utilizes spot prices for the hedged item (inventory) and forward or futures prices for the hedging instrument. Hedge ineffectiveness measurement for our cash flow hedges is based on forward or futures prices for the hedged item and hedging instrument. Any excluded component (changes in the difference between the spot price and the forward or futures price), along with ineffectiveness, is included as a component of revenue or cost of revenue in earnings. Adjustments to the carrying amounts of hedged items in a fair value hedge relationship are discontinued in instances where the related hedging instrument is deemed no longer highly effective in achieving offsetting changes in fair value. Therefore, any previously recorded fair market value changes are not adjusted until the fuel is sold.

Business Combinations

We account for business combinations using the acquisition method of accounting, under which the purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. Acquisition-related costs incurred in connection with a business combination are expensed as incurred.

Goodwill and Identifiable Intangible Assets

Goodwill arises because the purchase price paid reflects numerous factors, including the strategic fit and expected synergies these acquisitions bring to our existing operations. Goodwill is recorded at fair value and is reviewed at least annually at year-end (or more frequently under certain circumstances) for impairment.

Goodwill is evaluated for impairment during the fourth quarter of each year based on an assessment of qualitative factors to determine whether it is more likely than not that the fair value of any individual reporting unit is less than its carrying amount (Step 0). If we determine that it is more likely than not that the fair value of a reporting unit is greater than its carrying value, then no further testing is required. Otherwise, we would perform the two-step impairment analysis described below.

Step 1 requires us to compare the fair value of the reporting units to which goodwill was assigned to their respective carrying values. In calculating fair value, we use the income approach as our primary indicator of fair value. Under the income approach, we calculate the fair value of a reporting unit based on the present value of estimated future cash flows. These estimates are based on a number of factors including industry experience, business expectations and the economic environment. If the fair value exceeds the carrying value, no further work is required and no impairment loss is recognized. If the carrying value exceeds the fair value, the goodwill of the reporting unit is potentially impaired and the Company would then complete step 2 in order to measure the impairment loss.

The performance of the annual fiscal 2016 impairment analysis did not result in an impairment of the Company's goodwill. The qualitative assessment associated with step 0 and the quantitative assessment associated with step 1 of our goodwill impairment analysis both involve significant management estimates and judgment in order to properly determine that the factors assessed are appropriate and are accurate for each of the Company's reporting units.

In connection with our acquisitions, we record identifiable intangible assets at fair value. The determination of the fair values of our identifiable intangible assets involves a significant amount of forecasting and other assumptions associated with recently acquired businesses for which we may not have as much historical information or trend data

as we would for our existing businesses. Identifiable intangible assets subject to amortization are amortized over their estimated useful lives and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We assess identifiable intangible assets not subject to amortization during the fourth quarter of each year for potential impairment. Our impairment analysis of our intangible assets not subject to amortization (primarily trademarks and/or trade names) generally involves the use of qualitative and quantitative analyses to estimate whether the estimated future cash flows generated as a result of these assets will be greater than or equal to the carrying value assigned to such assets. We have not historically incurred any impairment losses associated with our intangible assets.

Revenue Recognition

Revenue from the sale of fuel is recognized when the sales price is fixed or determinable, collectability is reasonably assured and title passes to the customer, which is when the delivery of fuel is made to our customer directly from us, the supplier or a third-party subcontractor. Our fuel sales are generated as a fuel reseller as well as from on-hand inventory supply. When acting as a fuel reseller, we generally purchase fuel from the supplier, and contemporaneously resell the fuel to the customer, normally taking delivery for purchased fuel at the same place and time as the delivery is made to the customer. We record the gross sale of the fuel as we generally take inventory risk, have latitude in establishing the sales price, have discretion in the supplier selection, maintain credit risk and are the primary obligor in the sales arrangement.

Revenue from fuel-related services is recognized when services are performed, the sales price is fixed or determinable and collectability is reasonably assured. We record the sale of fuel-related services on a gross basis as we generally have latitude in establishing the sales price, have discretion in supplier selection, maintain credit risk and are the primary obligor in the sales arrangement.

Commission from fuel broker services is recognized when services are performed and collectability is reasonably assured. When acting as a fuel broker, we are paid a commission by the supplier.

Revenue from card payment and processing transactions is recognized at the time the purchase is made by the customer using the charge card. Revenue from charge card transactions is generated from processing fees.

Whether the services have been performed and when title and risk of loss passes to the customer are the factors we take into consideration in deciding when to recognize revenue. These factors are readily determinable and consistently applied throughout our business. Therefore, we generally have not needed to make significant estimates or assumptions with respect to revenue recognition.

Share-Based Payment Awards

We account for share-based payment awards on a fair value basis. Under fair value accounting, the grant-date fair value of the share-based payment award is amortized as compensation expense, on a straight-line basis, over the vesting period for both graded and cliff vesting awards. Annual compensation expense for share-based payment awards is reduced by an expected forfeiture amount on outstanding share-based payment awards. We utilize our historical forfeiture rates to calculate future expected forfeitures. These estimates can vary significantly from actual forfeiture rates experienced. Our estimated forfeiture rates have historically approximated actual forfeitures.

The estimated fair value of stock awards, such as restricted stock and restricted stock units (“RSUs”) is based on the grant-date market value of our common stock, as defined in the respective plans under which the awards were granted. To determine the estimated fair value of stock-settled stock appreciation rights (“SSAR Awards”), we use the Black-Scholes option pricing model. The estimation of the fair value of SSAR Awards on the date of grant using an option-pricing model is affected by our stock price as well as assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, actual and projected employee stock option exercise behaviors, risk- free interest rates and expected dividends. The expected term of SSAR Awards represents the estimated period of time from grant until exercise or conversion and is based on vesting schedules and expected post-vesting, exercise and employment termination behavior. Expected volatility is based on the historical volatility of our common stock over the period that is equivalent to the award’s expected life. Any adjustment to the historical volatility as an indicator of future volatility would be based on the impact to historical volatility of significant non-recurring events that would not be expected in the future. Risk-free interest rates are based on the U.S. Treasury yield curve at the time of grant for the period that is equivalent to the award’s expected life. Dividend yields are based on the historical dividends of World Fuel over the period that is equivalent to the award’s expected life, as adjusted for stock splits.

Cash flows from income tax benefits resulting from income tax deductions in excess of the compensation cost recognized for share-based payment awards (excess income tax benefits) are classified as financing cash flows. These excess income tax benefits are credited to capital in excess of par value.

Recent Accounting Pronouncements

Information regarding accounting standards adopted during 2016 is included in Note 1 to the accompanying consolidated financial statements included in this 2016 10-K Report.

Recently Issued Accounting Standards

Intangibles - Goodwill and Other (Topic 350). In January 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-04. The update simplifies the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test. Under the amendment an entity should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. This standard is effective at the beginning of our 2020 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Business Combinations (Topic 805): Clarifying the Definition of a Business. In January 2017, ASU 2017-01 was issued. The update clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of businesses. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Cash Flows: Statement of Cash Flows (Topic 230) - Restricted Cash. In November 2016, ASU 2016-18 was issued. The update requires that a statement of cash flows explains the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other than Inventory. In October 2016, ASU 2016-16 was issued. The update prohibits the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Cash Flows: *Statement of Cash Flows (Topic 230) - Classification of Certain Cash Receipts and Cash Payments*. In August 2016 ASU 2016-15 was issued. The ASU provides guidance on classification of eight specific cash flows items. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Derivatives and Hedging (Topic 815): Contingent Put and Call Options in Debt Instruments. In March 2016, ASU 2016-06 was issued. ASU 2016-06 clarifies the steps required to determine bifurcation of an embedded derivative. The update is effective at the beginning of our 2017 fiscal year. We do not believe the adoption of this new guidance will have an impact on our financial statement disclosures.

Derivatives and Hedging (Topic 815): Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships. In March 2016, ASU 2016-05 was issued which clarifies the change in the counterparty to a derivative instrument that has been designated as a hedging instrument does not, in and of itself, require de-designation of that hedging relationship provided that all other hedge accounting criteria continue to be met. The update is effective at the beginning of our 2017 fiscal year. We do not believe the adoption of this new guidance will have an impact on our financial statement disclosures.

Leases (Topic 842). In February 2016, ASU 2016-02, Leases, was issued. This standard will require all lessees to recognize a right of use asset and a lease liability on the balance sheet, except for leases with durations that are less than twelve months. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. In January 2016, ASU 2016-01 was issued to address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The ASU supersedes the guidance to classify equity securities with readily determinable fair values into different categories, and requires equity securities (except those that are accounted for under the equity method or those that result in consolidation of the investee) to be measured at fair value with changes in the fair value recognized through net income. It also simplifies the impairment assessment of equity investments without readily determinable fair values by requiring assessment for impairment qualitatively at each reporting period. This update is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and disclosures.

Inventory (Topic 330): Simplifying the Measurement of Inventory. In July 2015, the FASB issued ASU 2015-11, which simplifies the subsequent measurement of inventory. The updated guidance requires that Inventory measured using any method other than LIFO or the retail inventory method (for example, inventory measured using first-in, first-out (FIFO) or average cost) be measured at the lower of cost and net realizable value. This standard is effective at the beginning of our 2017 fiscal year. We do not believe the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Revenue Recognition (Topic 606): Revenue from Contracts with Customers. In May 2014, ASU 2014-09 was issued. Under this ASU and subsequently issued amendments, an entity is required to recognize the amount of revenue it expects to be entitled to for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP. This ASU provides alternative methods of transition, a full retrospective and a modified restrospective approach. The modified retrospective approach would result in recognition of the cumulative impact of a retrospective application as of the beginning of the period of initial application, which in our case is the interim period beginning January 1, 2018.

In preparation for adoption of the standard, we developed a cross-functional team and engaged a third-party service provider to assist us throughout our evaluation. In addition, we have factored the adoption into our ongoing ERP platform upgrade, which we previously committed to perform, as our system readiness is a key element towards the determination of the adoption approach we adopt. We continue to perform our assessment, and while those activities are not complete, we expect to identify similar performance obligations under ASC 606 as compared to those previously identified.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Derivative and Financial Instruments Market Risk

We use commodity-based derivative contracts and financial instruments, when we deem it appropriate, to manage the risks associated with changes in the prices of fuel and fuel-related products, fluctuations in foreign currency exchange rates and interest rates, or to capture market opportunities. We utilize hedge accounting and formally designate certain of our derivative instruments as either cash flow or fair value hedges. Derivative instruments that are not designated are considered non-designated hedges and are designed to achieve an economic offset of the underlying price risk exposure. Financial instruments and positions affecting the financial statements of the company are described below and are held primarily for hedging purposes. As a result, any changes in income associated with our derivatives contracts are substantially offset by corresponding changes in the value of the underlying risk being mitigated.

Commodity Price Risk

Our commercial business segments use derivative instruments, primarily futures, forward, swap, and option contracts, in various markets to manage price risk inherent in the purchase and sale of fuel. Certain of these derivative instruments are utilized to mitigate the risk of price volatility in forecasted transactions in a cash flow hedge relationship, and to mitigate the risk of changes in the price of our inventory in a fair value hedge relationship. In addition, we use derivatives as economic hedges or to optimize the value of our fuel inventory by engaging in trading activities to capitalize on anticipated market opportunities. As of December 31, 2016, and December 31, 2015, the notional and fair market values of our commodity-based derivative instruments position were as follows (in millions, except weighted average contract price):

Commodity Contracts (In millions of BBL)			**As of December, 31 2016**			**As of December, 31 2015**		
Hedge Strategy	**Derivative Instrument**	**Settlement Period**	**Notional Net Long/ (Short)**	**Weighted Average Contract Price**	**Fair Value Amount**	**Notional Net Long/ (Short)**	**Weighted Average Contract Price**	**Fair Value Amount**
Designated hedge	Commodity contracts hedging inventory	2016	—	$ —	$ —	(3.6)	$ 60.526	$ 29.0
		2017	(3.2)	68.459	(10.7)	(0.8)	62.180	7.4
		2018	(1.0)	69.559	(5.0)	—	—	—
					$ (15.7)			$ 36.4
Non-designated hedge	Commodity contracts	2016	—	—	—	(0.1)	49.720	15.4
		2017	0.1	54.660	13.9	0.3	26.105	0.1
		2018	0.2	62.461	5.5	0.1	10.640	1.4
		2019	—	71.250	0.7	—	—	—
		2020	—	17.080	0.6	—	20.295	0.5
		Thereafter	—	4.340	0.1	—	—	—
					$ 20.8			$ 17.4
Total commodity derivative contracts					$ 5.1			$ 53.8

Foreign Currency Exchange Risk

We hedge our exposure to currency exchange rate changes, such as foreign-currency-denominated trade receivables, payables, or local currency tax payments. The foreign currency exchange rate risk results primarily from our international operations and is economically hedged using forward and swap contracts. The changes in the fair value of these foreign currency exchange derivatives are recorded in earnings. Since the gains or losses on the forward and swap contracts are substantially offset by the gains or losses from remeasuring the hedged foreign-currency-denominated exposure, we do not believe that a hypothetical 10% change in exchange rates at December 31, 2016 would have a material impact on our income from operations.

The foreign currency denominated notionals and fair values in U.S. dollars of our exposures from our foreign currency exchange derivatives at December 31, 2016 were primarily related to the following (in millions, except weighted average contract price):

				As of December, 31 2016
Settlement Period	Unit	Notional Net Long/(Short)	Weighted Average Contract Price	Fair Value Amount
2017	AUD	(5.0)	0.760	$ 0.2
2017	CAD	(64.0)	1.330	1.1
2017	CHF	(0.6)	0.990	—
2017	CLP	(245.5)	671.730	—
2017	COP	(20,701.7)	3,033.920	—
2017	DKK	(130.2)	6.850	0.6
2017	EUR	(32.0)	1.110	2.1
2017	GBP	(7.4)	1.280	4.3
2017	INR	(72.4)	67.660	—
2017	JPY	(341.4)	103.330	0.4
2017	KRW	(11,735.9)	1,147.470	0.5
2017	MXN	123.4	20.010	(0.5)
2017	NOK	(34.2)	8.350	0.2
2017	NZD	(0.9)	0.710	—
2017	PHP	(8.0)	49.410	—
2017	PLN	(9.7)	3.980	0.1
2017	RON	(3.9)	4.070	0.1
2017	SEK	30.3	8.630	(0.2)
2017	SGD	(15.6)	1.390	0.4
2017	ZAR	1.0	14.130	—
2018	EUR	(1.7)	1.110	0.1
2018	GBP	(1.4)	1.370	0.2
2019	GBP	(0.6)	1.400	0.1
Total foreign currency exchange derivative contracts				$ 9.6

The total fair value of these contracts at December 31, 2016 is $9.6 million, of which $9.3 million will be settled in 2017. At December 31, 2015, the fair value of our foreign currency exchange derivatives was $7.4 million, the majority of which settled in 2016. Refer to Footnote 4 Derivative Instruments for additional details.

Interest Rate

Borrowings under our Credit Facility and Term Loans related to base rate loans or Eurodollar rate loans bear floating interest rates plus applicable margins. As of December 31, 2016, the applicable margins for base rate loans and Eurodollar rate loans were 1.25% and 2.25%, respectively. As of December 31, 2016, we had outstanding borrowings under our Credit Facility totaling $325.2 million and $840.0 million in Term Loans. As of December 31, 2016, the aggregate outstanding balance of our capital lease obligations was $12.6 million which bear interest at annual rates ranging from 3.0% to 6.7%. Our remaining outstanding debt of $8.5 million as of December 31, 2016 primarily relates to acquisition promissory notes and loans payable to noncontrolling shareholders of a consolidated subsidiary which are payable in varying amounts from July 2017 to October 2017 and bear interest at annual rates ranging from 2.0% to 8.6%.The weighted average interest rate on our short-term debt was 2.3% as of December 31, 2016. A 1.0% fluctuation in the interest rate on our outstanding debt would result in a $11.7 million change in interest expense during the next twelve months.

Item 8. Financial Statements and Supplementary Data

The financial statements, together with the report thereon of PricewaterhouseCoopers LLP dated February 17, 2017, and the Selected Quarterly Financial Data (Unaudited), are set forth in Item 15 of this 2016 10-K Report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Management’s Evaluation of Disclosure Controls and Procedures
We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act 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 our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required financial disclosure.

As of the end of the period covered by this report, we evaluated, under the supervision and with the participation of our CEO and CFO, the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e). Based upon this evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of December 31, 2016.

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 Exchange Act Rule 13a-15(f). 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 accounting principles generally accepted in the United States of America. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures are being made only in accordance with authorizations of management and our directors; and (iii) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of 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.

Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2016 using the framework specified in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on such assessment, management has concluded that our internal control over financial reporting was effective as of December 31, 2016. Management has excluded four acquisitions, including PAPCO, Inc. ("PAPCO") and Associated Petroleum Products, Inc ("APP"), (the "Excluded Business") from its assessment of internal control over financial reporting as of December 31, 2016, because the Excluded Businesses were acquired during 2016. The combined total assets and combined total revenues of the Excluded Business represents approximately 3.5% and 2.4% respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2016. The most significant of the acquisitions, representing 3.1% and 2.3% of consolidated total assets and consolidated total revenues, were PAPCO and APP, respectively.

The effectiveness of our internal control over financial reporting as of December 31, 2016 has been audited by PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, as stated in their report appearing herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting during the quarter ended December 31, 2016.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system will be met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there is only the reasonable assurance that our controls will succeed in achieving their goals under all potential future conditions.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We have adopted a Code of Conduct that applies to all of our employees, officers (including our principal executive, financial and accounting officers) and directors. The Code of Conduct is located on our website at http://www.wfscorp.com under "Investor Relations – Corporate Governance – Code of Conduct." We intend to disclose any amendments to our Code of Conduct or waivers with respect to our Code of Conduct granted to our principal executive, financial and accounting officers on our website.

The remaining information regarding our directors, executive officers and corporate governance is incorporated herein by reference from our Definitive Proxy Statement for the 2017 Annual Meeting of Shareholders ("2017 Proxy") to be filed pursuant to Regulation 14A within 120 days after the close of the fiscal year ended December 31, 2016.

Item 11. Executive Compensation

Information on executive compensation is incorporated herein by reference from our 2017 Proxy to be filed pursuant to Regulation 14A within 120 days after the close of the fiscal year ended December 31, 2016.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

Information on security ownership of certain beneficial owners and management and related shareholder matters is incorporated herein by reference from our 2017 Proxy to be filed pursuant to Regulation 14A within 120 days after the close of the fiscal year ended December 31, 2016.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information on certain relationships and related transactions and director independence is incorporated herein by reference from our 2017 Proxy to be filed pursuant to Regulation 14A within 120 days after the close of the fiscal year ended December 31, 2016.

Item 14. Principal Accounting Fees and Services

Information on principal accounting fees and services is incorporated herein by reference from our 2017 Proxy to be filed pursuant to Regulation 14A within 120 days after the close of the fiscal year ended December 31, 2016.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a)(1) The following consolidated financial statements are filed as a part of this 2016 10-K Report:

(i)	Report of Independent Registered Certified Public Accounting Firm	51
(ii)	Consolidated Balance Sheets	52
(iii)	Consolidated Statements of Income and Comprehensive Income	53
(iv)	Consolidated Statements of Shareholders' Equity	54
(v)	Consolidated Statements of Cash Flows	55
(vi)	Notes to the Consolidated Financial Statements	57

(a)(2) Consolidated financial statement schedules have been omitted either because the required information is set forth in the consolidated financial statements or notes thereto, or the information called for is not required.

(b) The exhibits set forth in the following index of exhibits are filed or incorporated by reference as a part of this 2016 10-K Report:

Exhibit No.	Description
3.1	Restated Articles of Incorporation (incorporated by reference herein to Exhibit 99.2 to our Current Report on Form 8-K filed on February 3, 2005).
3.2	Articles of Amendment to Restated Articles of Incorporation (incorporated by reference herein to Exhibit 3.1 to our Current Report on Form 8-K filed on November 23, 2009).
3.3	By-Laws, amended and restated as of August 26, 2011 (incorporated by reference herein to Exhibit 3.1 to our Current Report on Form 8-K filed on August 29, 2011).
10.1	Agreement between World Fuel Services Corporation and Michael J. Kasbar, dated March 14, 2008 (incorporated by reference herein to Exhibit 10.2 to our Current Report on Form 8-K filed on March 20, 2008). *
10.2	Amendment No. 1, dated August 26, 2011, to Agreement between World Fuel Services Corporation and Michael J. Kasbar (incorporated by reference herein to Exhibit 10.1 to our Current Report on Form 8-K filed on August 29, 2011). *
10.3	Amendment No. 2, dated April 9, 2012, to Agreement between World Fuel Services Corporation and Michael J. Kasbar (incorporated by reference herein to Exhibit 10.1 to our Current Report on Form 8-K filed on April 13, 2012). *
10.4	Amendment No. 3, dated April 11, 2014, to Agreement between World Fuel Services Corporation and Michael J. Kasbar (incorporated by reference herein to Exhibit 10.2 to our Current Report on Form 8-K filed on April 11, 2014). *
10.5	Executive Severance Agreement between World Fuel Services Corporation and Ira M. Birns, dated April 16, 2007 (incorporated by reference herein to Exhibit 10.2 to our Current Report on Form 8-K filed on April 16, 2007). *
10.6	2001 Omnibus Plan, as amended and restated (incorporated by reference herein to Exhibit 4.2 to our Registration Statement on Form S-8 (Registration No. 333-130528) filed on December 20, 2005). *
10.7	2006 Omnibus Plan (incorporated by reference herein to Appendix A to the our Definitive Proxy Statement on Schedule 14A filed with the SEC on April 27, 2009).*
10.8	2016 Omnibus Plan (incorporated by reference herein to Exhibit 10.1 to our Current Report on Form 8-K filed on June 2, 2016).*
10.9	World Fuel Services Corporation 2013 Executive Incentive Plan (incorporated by reference herein to Exhibit 10.1 to our Current Report on Form 8-K filed on June 4, 2013). *
10.10	Form of Named Executive Officer Restricted Stock Unit Grant Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 filed on August 2, 2011). *
10.11	Form of Named Executive Officer Restricted Stock Grant Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 filed on August 2, 2011). *
10.12	Form of Stock-Settled Stock Appreciation Right Agreement in connection with the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.3 to our Current Report on Form 8-K filed on November 7, 2006). *
10.13	Form of Named Executive Officer Performance-Based Restricted Stock Grant Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 filed on November 1, 2012). *
10.14	Form of Michael J. Kasbar Stock-Settled Stock Appreciation Right Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 filed on July 30, 2014). *
10.15	Form of Michael J. Kasbar Stock-Settled Stock Appreciation Right Agreement (3-year Cliff Vesting) under the 2006 Omnibus Plan. *
10.16	Form of Ira M. Birns Stock-Settled Stock Appreciation Right Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 filed on July 30, 2014). *
10.17	Form of Named Executive Officer Long-Term Incentive Restricted Stock Unit Grant Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 filed on July 30, 2015). *
10.18	Form of Named Executive Officer Performance-Based Restricted Stock Unit Grant Agreement under the 2006 Omnibus Plan. *
10.19	Form of 2013 and 2014 Non-Employee Director Restricted Stock Units Grant Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.25 to our Annual Report on Form 10-K for the year ended December 31, 2013 filed on February 14, 2014). *

Exhibit No.	Description
10.20	Form of Amendment to 2013 and 2014 Non-Employee Director Restricted Stock Unit Grant Agreements, dated November 24, 2015 (incorporated by reference herein to Exhibit 10.25 to our Annual Report on Form 10-K for the year ended December 31, 2015 filed on February 16, 2016).*
10.21	Form of Non-Employee Director Restricted Stock Units Grant Agreement under the 2006 Omnibus Plan (incorporated by reference herein to Exhibit 10.24 to our Annual Report on Form 10-K for the year ended December 31, 2015 filed on February 16, 2016). *
10.22	Fourth Amended and Restated Credit Agreement, dated as of October 10, 2013, among World Fuel Services Corporation, World Fuel Services Europe, Ltd. and World Fuel Services (Singapore) Pte Ltd, as borrowers, Bank of America, N.A., as administrative agent, and the financial institutions named therein as lenders (incorporated herein by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on October 11, 2013). *
10.23	Amendment No. 1 to the Fourth Amended and Restated Credit Agreement, dated as of January 30, 2015, among World Fuel Services Corporation, World Fuel Services Europe, Ltd. and World Fuel Services (Singapore) Pte Ltd, as borrowers, Bank of America, N.A., as administrative agent, and the financial institutions named therein as lenders (incorporated herein by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on February 5, 2015).
10.24	Amendment No. 2 to the Fourth Amended and Restated Credit Agreement, dated as of October 26, 2016, among World Fuel Services Corporation, World Fuel Services Europe, Ltd. and World Fuel Services (Singapore) Pte Ltd, as borrowers, Bank of America, N.A., as administrative agent, and the financial institutions named therein as lenders (incorporated herein by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on October 27, 2016).
21.1	Subsidiaries of the Registrant.
23.1	Consent of Independent Registered Certified Public Accounting Firm.
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a).
32.1	Statement of Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
101	The following materials from World Fuel Services Corporation's Annual Report on Form 10-K for the year ended December 31, 2016, formatted in XBRL (Extensible Business Reporting Language); (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income and Comprehensive Income, (iii) Consolidated Statements of Shareholders' Equity, (iv) Consolidated Statements of Cash Flows, and (v) Notes to the Consolidated Financial Statements.

* Management contracts and compensatory plans or arrangements required to be filed as exhibits to this form, pursuant to Item 15(b).

REPORT OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of World Fuel Services Corporation:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income and comprehensive income, of shareholders’ equity and of cash flows present fairly, in all material respects, the financial position of World Fuel Services Corporation and its subsidiaries at December 31, 2016 and 2015, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2016 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

As described in Management's Report on Internal Control over Financial Reporting, management has excluded four acquisitions from its assessment of internal control over financial reporting as of December 31, 2016 because they were acquired by the Company in purchase business combinations during 2016. We have also excluded the four acquisitions from our audit of internal control over financial reporting. The acquisitions are wholly owned subsidiaries whose combined total assets and combined total revenues represent 3.5% and 2.4%, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2016. The most significant of the acquisitions, representing 3.1% and 2.3% of consolidated total assets and consolidated total revenues, were PAPCO, Inc. and Associated Petroleum Products, Inc., respectively.

/s/ PricewaterhouseCoopers LLP
Miami, Florida
February 17, 2017

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)

	As of December 31,	
	2016	2015
Assets:		
Current assets:		
Cash and cash equivalents	$ 698.6	$ 582.5
Accounts receivable, net	2,344.0	1,812.6
Inventories	458.0	359.1
Prepaid expenses	46.5	57.9
Short-term derivative assets, net	58.9	220.4
Other current assets	230.6	208.0
Current assets held for sale	—	5.5
Total current assets	3,836.6	3,246.0
Property and equipment, net	311.2	225.6
Goodwill	835.8	675.8
Identifiable intangible and other non-current assets	429.1	341.4
Non-current assets held for sale	—	36.5
Total assets	$ 5,412.6	$ 4,525.3
Liabilities:		
Current liabilities:		
Short-term debt	$ 15.4	$ 25.5
Accounts payable	1,770.4	1,349.6
Customer deposits	90.8	118.3
Accrued expenses and other current liabilities	306.0	255.2
Current liabilities held for sale	—	5.6
Total current liabilities	2,182.7	1,754.2
Long-term debt	1,170.8	746.7
Non-current income tax liabilities, net	84.6	87.7
Other long-term liabilities	34.5	25.8
Non-current liabilities held for sale	—	5.0
Total liabilities	3,472.6	2,619.4
Commitments and contingencies		
Equity:		
World Fuel shareholders' equity:		
Preferred stock, $1.00 par value; 0.1 shares authorized, none issued	—	—
Common stock, $0.01 par value; 100.0 shares authorized, 69.9 and 70.8 issued and outstanding as of December 31, 2016 and December 31, 2015, respectively	0.7	0.7
Capital in excess of par value	399.9	435.3
Retained earnings	1,679.3	1,569.4
Accumulated other comprehensive loss	(154.8)	(109.5)
Total World Fuel shareholders' equity	1,925.0	1,895.9
Noncontrolling interest equity	15.0	10.0
Total equity	1,940.0	1,905.9
Total liabilities and equity	$ 5,412.6	$ 4,525.3

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

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(In millions, except earnings per share data)

	For the Year ended December 31,		
	2016	2015	2014
Revenue	$ 27,015.8	$ 30,381.4	$ 43,391.8
Cost of revenue	26,116.8	29,520.4	42,572.7
Gross profit	899.0	861.0	819.1
Operating expenses:			
Compensation and employee benefits	413.3	365.8	319.8
Provision for bad debt	15.4	7.5	3.8
General and administrative	281.4	242.1	218.8
	710.1	615.3	542.4
Income from operations	188.9	245.7	276.7
Non-operating expenses, net:			
Interest expense and other financing costs, net	(39.2)	(29.9)	(25.2)
Other (expense) income, net	(7.5)	2.0	23.3
	(46.7)	(27.9)	(1.9)
Income before income taxes	142.1	217.7	274.8
Provision for income taxes	15.7	47.2	53.6
Net income including noncontrolling interest	126.4	170.5	221.1
Net loss attributable to noncontrolling interest	—	(3.9)	(3.3)
Net income attributable to World Fuel	$ 126.5	$ 174.5	$ 224.5
Basic earnings per common share	$ 1.82	$ 2.49	$ 3.17
Basic weighted average common shares	69.3	70.2	70.8
Diluted earnings per common share	$ 1.81	$ 2.47	$ 3.15
Diluted weighted average common shares	69.8	70.7	71.3
Comprehensive income:			
Net income including noncontrolling interest	$ 126.4	$ 170.5	$ 221.1
Other comprehensive (loss):			
Foreign currency translation adjustments	(40.4)	(45.4)	(30.8)
Cash Flow hedges, net of income tax benefit of $4.1 for the twelve months ended December 31, 2016	(6.6)	(0.8)	—
Other comprehensive (loss)	(47.0)	(46.2)	(30.8)
Comprehensive income including noncontrolling interest	79.5	124.3	190.4
Comprehensive income (loss) attributable to noncontrolling interest	1.6	(2.2)	(1.1)
Comprehensive income attributable to World Fuel	$ 77.9	$ 126.4	$ 191.4

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

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In millions)

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total World Fuel Shareholders' Equity	Noncontrolling Interest Equity	Total Equity
	Shares	Amount						
Balance as of December 31, 2013	71.9	$ 0.7	$ 495.2	$ 1,198.1	$ (28.5)	$ 1,665.5	$ 5.0	$ 1,670.5
Net income	—	—	—	224.5	—	224.5	(3.3)	221.1
Cash dividends declared	—	—	—	(10.6)	—	(10.6)	—	(10.6)
Initial noncontrolling interest upon acquisition of businesses						—	19.4	19.4
Distribution of noncontrolling interest	—	—	—	—	—	—	(11.6)	(11.6)
Amortization of share-based payment awards	—	—	15.3	—	—	15.3	—	15.3
Issuance of common stock related to share-based payment awards including income tax benefit of $1.0 million	0.5	—	1.0	—	—	1.0	—	1.0
Purchases of common stock tendered by employees to satisfy the required withholding taxes related to share-based payment awards	(0.1)	—	(5.1)	—	—	(5.1)	—	(5.1)
Purchases of common stock	(0.2)	—	(10.0)	—	—	(10.0)	—	(10.0)
Other comprehensive loss	—	—	—		(30.8)	(30.8)		(30.8)
Balance as of December 31, 2014	72.1	0.7	496.4	1,412.0	(59.2)	1,849.9	9.5	1,859.4
Net income	—	—	—	174.5	—	174.5	(3.9)	170.5
Cash dividends declared	—	—	—	(16.8)	—	(16.8)	—	(16.8)
Investment by noncontrolling interest						—	0.5	0.5
Distribution of noncontrolling interest	—	—	—	—	—	—	(0.2)	(0.2)
Amortization of share-based payment awards	—	—	16.9	—	—	16.9	—	16.9
Issuance of common stock related to share-based payment awards	0.4	—	—	—	—	—	—	—
Purchases of common stock tendered by employees to satisfy the required withholding taxes related to share-based payment awards	(0.1)	—	(7.3)	—	—	(7.3)	—	(7.3)
Purchases of common stock	(1.6)	—	(70.5)	—	—	(70.5)	—	(70.5)
Other comprehensive (loss) income	—	—	—	—	(50.3)	(50.3)	4.0	(46.2)
Other	—		(0.1)	(0.3)		(0.4)	0.1	(0.3)
Balance as of December 31, 2015	70.8	0.7	435.3	1,569.4	(109.5)	1,895.9	10.0	1,905.9
Net income	—	—	—	126.5	—	126.5	—	126.4
Cash dividends declared	—	—	—	(16.6)	—	(16.6)	—	(16.6)
Distribution of noncontrolling interest	—	—	—	—	—	—	(0.5)	(0.5)
Amortization of share-based payment awards	—	—	19.7	—	—	19.7	—	19.7
Issuance of common stock related to share-based payment awards including income tax benefit of $1.6 million	0.1	—	1.6	—	—	1.6	—	1.6
Purchases of common stock tendered by employees to satisfy the required withholding taxes related to share-based payment awards	(0.1)	—	(4.6)	—	—	(4.6)	—	(4.6)
Purchases of common stock	(1.0)	—	(41.2)	—	—	(41.2)	—	(41.2)
Acquisition of remaining 49% equity interest	—	—	(10.9)	—	—	(10.9)	7.2	(3.7)
Other comprehensive (loss)	—	—	—	—	(45.4)	(45.4)	(1.6)	(47.0)
Other	—	—	(0.1)	—	—	(0.1)	—	—
Balance as of December 31, 2016	69.9	$ 0.7	$ 399.9	$ 1,679.3	$ (154.8)	$ 1,925.0	$ 15.0	$ 1,940.0

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

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	For the Year ended December 31,		
	2016	2015	2014
Cash flows from operating activities:			
Net income including noncontrolling interest	$ 126.4	$ 170.5	$ 221.1
Adjustments to reconcile net income including noncontrolling interest to net cash provided by operating activities:			
Depreciation and amortization	82.3	65.5	57.3
Provision for bad debt	15.4	7.5	3.8
Gain on sale of held for sale assets and liabilities	(3.8)	—	(18.1)
Share-based payment award compensation costs	19.2	17.0	15.8
Deferred income tax provision (benefit)	(36.0)	5.3	10.8
Extinguishment of liabilities, net	(7.0)	(8.2)	(5.3)
Foreign currency (gains), net	(11.8)	(7.3)	(7.8)
Other	3.3	3.2	(5.3)
Changes in assets and liabilities, net of acquisitions:			
Accounts receivable, net	(506.8)	485.0	460.7
Inventories	(49.5)	81.4	232.3
Prepaid expenses	7.7	10.8	46.5
Short-term derivative assets, net	163.7	81.5	(265.8)
Other current assets	(20.4)	34.0	(38.0)
Cash collateral with financial counterparties	149.2	133.3	(288.0)
Other non-current assets	4.4	(1.9)	13.7
Accounts payable	423.4	(481.5)	(587.8)
Customer deposits	(26.3)	(17.5)	12.8
Accrued expenses and other current liabilities	(121.9)	(141.9)	267.0
Non-current income tax, net and other long-term liabilities	(6.4)	11.0	15.4
Total adjustments	78.8	276.9	(80.0)
Net cash provided by operating activities	205.2	447.5	141.1
Cash flows from investing activities:			
Acquisition of businesses, net of cash acquired and other investments	(430.8)	(96.9)	(273.6)
Proceeds from sale of business	29.0	—	—
Capital expenditures	(36.1)	(51.0)	(50.2)
Proceeds from the sale of fixed assets	7.3	5.3	—
Escrow payment related to an assumed obligation of an acquired business	—	—	(21.7)
Proceeds from the sale of crude oil joint venture interests	—	—	43.0
Purchase of (COLI) investments	(1.0)	(1.0)	(2.1)
Issuance of Note Receivable	(3.5)	(1.4)	—
Repayment of Note Receivable	6.5	0.3	7.5
Net cash used in investing activities	(428.5)	(144.8)	(297.1)
Cash flows from financing activities:			
Borrowings of debt	4,688.0	4,831.2	5,757.3
Repayments of debt	(4,280.3)	(4,752.0)	(5,551.5)
Payments of senior revolving credit facility and senior term loan facility loan costs	(5.7)	(3.4)	—
Dividends paid on common stock	(16.6)	(15.3)	(10.6)
Investment by noncontrolling interest	—	0.5	—
Distribution of noncontrolling interest	(0.3)	(0.3)	(11.6)
Purchases of common stock	(41.2)	(70.5)	(10.0)
Federal and state tax benefits resulting from tax deductions in excess of the compensation cost recognized for share-based payment awards	1.6	—	1.0
Purchases of common stock tendered by employees to satisfy the required withholding taxes related to share-based payment awards	(4.6)	(7.3)	(5.1)
Net cash provided by (used in) financing activities	340.9	(17.0)	169.5
Effect of exchange rate changes on cash and cash equivalents	(1.5)	(5.5)	(3.4)
Net increase in cash and cash equivalents	116.1	280.2	10.2
Cash and cash equivalents, as of beginning of period	582.5	302.3	292.1
Cash and cash equivalents, as of end of period	$ 698.6	$ 582.5	$ 302.3

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

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS – (CONTINUED)
(In millions)

	For the Year ended December 31,		
	2016	2015	2014
Supplemental Disclosures of Cash Flow Information			
Cash paid during the year for:			
Interest, net of capitalized interest	$ 40.7	$ 33.1	$ 29.1
Income taxes	$ 37.5	$ 44.0	$ 40.8

Supplemental Schedule of Noncash Investing and Financing Activities
Cash dividends declared, but not yet paid, were $4.1 million and $4.2 million as of December 31, 2016 and December 31, 2015.

We had accrued capital expenditures totaling $0.4 million and $0.8 million as of December 31, 2016 and December 31, 2015, respectively, which were recorded in accounts payable.

Prior to the acquisition of the remaining 49% of the outstanding equity interest of Tobras Distribuidora de Combustiveis Limitada ("Tobras") from the minority owners, the Company completed a $17.7 million non-cash settlement related to two promissory notes outstanding between the Company and Tobras which were offset and settled.

The proceeds from the sale of fixed assets for the year ended December 31, 2016 and December 31, 2015 were both in connection with a sale-leaseback arrangement.

In November 2014, we utilized £8.8 million ($13.8 million) of the £13.0 million ($21.7 million) escrow account balance for payment of assumed pension exit obligations. During 2015, we utilized an additional £0.8 million ($1.1 million) of the escrow account balance for payment of assumed pension exit obligations and remitted the remaining escrow account balance to the sellers.

In connection with our acquisitions for the years presented, the following table presents the assets acquired, net of cash and liabilities assumed:

	For the Year ended December 31,		
	2016	2015	2014
Assets acquired, net of cash	$ 508.8	$ 154.3	$ 611.0
Liabilities assumed	$ 64.5	$ 61.8	$ 314.8

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

WORLD FUEL SERVICES CORPORATION AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation and Significant Accounting Policies

A. Basis of Presentation

The consolidated financial statements and related notes include our parent company and all wholly-owned and majority-owned subsidiaries and joint ventures where we exercise control. The decision of whether or not to consolidate an entity requires consideration of majority voting interests, as well as effective economic or other control over the entity. The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Our fiscal year-end is as of and for the year ended December 31 for each year presented. All significant transactions among our businesses have been eliminated.

Our consolidated financial statements include the operations of an acquired business after the completion of the acquisition. We account for acquired businesses using the acquisition method of accounting, which requires, among other things, that most assets acquired and liabilities assumed be recognized at their estimated fair values as of the acquisition date. Contingent consideration in a business combination is included as part of the acquisition cost and is recognized at fair value as of the acquisition date. Amounts recorded in connection with an acquisition can result from a complex series of judgments about future events and uncertainties and can rely heavily on estimates and assumptions.

Any liability resulting from contingent consideration is remeasured to fair value at each reporting date until the contingency is resolved. These changes in fair value are recognized in earnings in Other income, net. Transaction costs are expensed as incurred. Any excess of the consideration transferred over the assigned values of the net assets acquired is recorded as goodwill. When we acquire net assets that do not constitute a business, as defined in U.S. GAAP, no goodwill is recognized.

During the fourth quarter of 2016, we acquired certain assets from ExxonMobil in Canada, United Kingdom ("U.K.") and France. Commencing from the respective acquisition dates, our consolidated financial statements reflect the assets, liabilities, operating results and cash flows of these assets. The commercial operations acquired are included within our aviation segment.

On July 1, 2016, we acquired PAPCO, Inc. ("PAPCO") and Associated Petroleum Products, Inc ("APP"). Commencing from the acquisition date, our financial statements reflect the assets, liabilities, operating results and cash flows of PAPCO and APP. The commercial operations of PAPCO and APP are included within our land segment.

On June 23, 2016 , we acquired the remaining 49% of the outstanding equity interest of Tobras Distribuidora de Combustiveis Limitada ("Tobras") from our joint venture partner. Prior to the acquisition, we owned 51% of the outstanding shares of Tobras and exercised control, and as such, we consolidated Tobras in our financial statements and recognized comprehensive income/(loss) attributable to non-controlling interest.

On September 1, 2015 we acquired Pester Marketing Company ("Pester"). On May 1, 2016, we completed the sale of Pester's retail business for $32.3 million, resulting in a gain of $3.8 million, which is included in other income, net in the consolidated statement of income and comprehensive income.

For additional information pertaining to our acquisitions, refer to Note 3.

Certain amounts in the consolidated financial statements and associated notes may not add due to rounding. All percentages have been calculated using unrounded amounts.

B. New Accounting Standards

Adoption of New Accounting Standards

Business Combinations (Topic 805): Simplifying the Accounting for Measurement - Period Adjustments. In September 2015, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2015-16 to simplify the accounting for adjustments made to provisional amounts recognized in a business combination; the amendments eliminate the requirement to retrospectively account for those adjustments. The ASU requires that an acquirer recognize

adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. It also requires that the acquirer record, in the same period's financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. This update became effective at the beginning of our 2016 fiscal year. The adoption of this ASU did not have a significant impact on our consolidated financial statements and disclosures.

Interest: Imputation of Interest (Subtopic 835-30) - Simplifying the Presentation of Debt Issuance Costs. In April 2015, ASU 2015-03 was issued which requires that debt issuance costs related to a recognized debt liability, is presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this ASU. This update became effective at the beginning of our 2016 fiscal year. The adoption of this ASU did not have a significant impact on our consolidated financial statements and disclosures.

Consolidation (Topic 810): Amendments to the Consolidation Analysis. In February 2015, ASU 2015-02 was issued and is intended to improve targeted areas of consolidation guidance for legal entities such as limited partnerships, limited liability corporations, and securitization structures. This update became effective at the beginning of our 2016 fiscal year. The adoption of this ASU did not have a significant impact on our consolidated financial statements and disclosures.

Income Statement - Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items. In January 2015, ASU 2015-01 was issued, which eliminates the concept of extraordinary items. This update became effective at the beginning of our 2016 fiscal year. The adoption of this ASU did not have a significant impact on our consolidated financial statements and disclosures.

Derivatives and Hedging (Topic 815): Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity. In November 2014, ASU 2014-16 was issued which clarifies how current generally accepted accounting principles in the United States should be interpreted in evaluating the economic characteristics and risks of a host contract in a hybrid financial instrument that is issued in the form of a share. This update became effective at the beginning of our 2016 fiscal year. The adoption of this ASU did not have a significant impact on our consolidated financial statements and disclosures.

Compensation (Topic 718): Stock Compensation - Accounting for Share-Based Payments when the Terms of an Award Provide that a Performance Target could be achieved after the Requisite Service Period. In June 2014, ASU 2014-12 was issued which includes guidance that requires a performance target that affects vesting and that could be achieved after the requisite service period to be treated as a performance condition. This update became effective at the beginning of our 2016 fiscal year. The adoption of this ASU did not have a significant impact on our consolidated financial statements and disclosures. In addition, in March 2016, ASU 2016-09 - *Stock Compensation - Improvements to Employee Share-Based Payment Accounting* was issued. This ASU is intended to improve the accounting for employee share-based payments. Several aspects of the accounting for share-based payment award transactions are simplified, including: *(a)* income tax consequences; *(b)* classification of awards as either equity or liabilities; and *(c)* classification on the statement of cash flows. The update is effective at the beginning of our 2017 fiscal year. We have elected to early adopt this ASU and the adoption did not have a significant impact on our financial statement and disclosures.

Presentation of Financial Statements - Going Concern (Subtopic 25-40): - Disclosure of Uncertainties about an Entity's Ability to continue as a Going Concern. In August 2014, the FASB issued ASU 2014-15, requiring management to evaluate whether there is substantial doubt about the Company's ability to continue as a going concern. This update is effective for the annual period ending after December 15, 2016, and for annual and interim periods thereafter. We have adopted this ASU and the adoption did not have a significant impact on our financial statement and disclosures.

Accounting Standards Issued But Not Yet Adopted

Intangibles - Goodwill and Other (Topic 350). In January 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-04. The update simplifies the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test. Under the amendment an entity should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. This standard is effective at the beginning of our 2020 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Business Combinations (Topic 805): Clarifying the Definition of a Business. In January 2017, ASU 2017-01 was issued. The update clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of businesses. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Cash Flows: Statement of Cash Flows (Topic 230) - Restricted Cash. In November 2016, ASU 2016-18 was issued. The update requires that a statement of cash flows explains the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other than Inventory. In October 2016, ASU 2016-16 was issued. The update prohibits the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Cash Flows: *Statement of Cash Flows (Topic 230) - Classification of Certain Cash Receipts and Cash Payments*. In August 2016 ASU 2016-15 was issued. The ASU provides guidance on classification of eight specific cash flows items. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Derivatives and Hedging (Topic 815): Contingent Put and Call Options in Debt Instruments. In March 2016, ASU 2016-06 was issued. ASU 2016-06 clarifies the steps required to determine bifurcation of an embedded derivative. The update is effective at the beginning of our 2017 fiscal year. We do not believe the adoption of this new guidance will have an impact on our financial statement disclosures.

Derivatives and Hedging (Topic 815): Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships. In March 2016, ASU 2016-05 was issued which clarifies the change in the counterparty to a derivative instrument that has been designated as a hedging instrument does not, in and of itself, require de-designation of that hedging relationship provided that all other hedge accounting criteria continue to be met. The update is effective at the beginning of our 2017 fiscal year. We do not believe the adoption of this new guidance will have an impact on our financial statement disclosures.

Leases (Topic 842). In February 2016, ASU 2016-02, Leases, was issued. This standard will require all lessees to recognize a right of use asset and a lease liability on the balance sheet, except for leases with durations that are less than twelve months. This standard is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. In January 2016, ASU 2016-01 was issued to address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The ASU supersedes the guidance to classify equity securities with readily determinable fair values into different categories, and requires equity securities (except those that are accounted for under the equity method or those that result in consolidation of the investee) to be measured at fair value with changes in the fair value recognized through net income. It also simplifies the impairment assessment of equity investments without readily determinable fair values by requiring assessment for impairment qualitatively at each reporting period. This update is effective at the beginning of our 2018 fiscal year. We are currently evaluating whether the adoption of this new guidance will have a significant impact on our consolidated financial statements and disclosures.

Inventory (Topic 330): Simplifying the Measurement of Inventory. In July 2015, the FASB issued ASU 2015-11, which simplifies the subsequent measurement of inventory. The updated guidance requires that Inventory measured using any method other than LIFO or the retail inventory method (for example, inventory measured using first-in, first-out (FIFO) or average cost) be measured at the lower of cost and net realizable value. This standard is effective at the beginning of our 2017 fiscal year. We do not believe the adoption of this new guidance will have a significant impact on our consolidated financial statements and related disclosures.

Revenue Recognition (Topic 606): Revenue from Contracts with Customers. In May 2014, ASU 2014-09 was issued. Under this ASU and subsequently issued amendments, an entity is required to recognize the amount of revenue it expects to be entitled to for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP. This ASU provides alternative methods of transition, a full retrospective and a modified restrospective approach. The modified retrospective approach would result in recognition of the cumulative impact of a retrospective application as of the beginning of the period of initial application, which in our case is the interim period beginning January 1, 2018.

In preparation for adoption of the standard, we developed a cross-functional team and engaged a third-party service provider to assist us throughout our evaluation. In addition, we have factored the adoption into our ongoing ERP platform upgrade, which we previously committed to perform, as our system readiness is a key element towards the determination of the adoption approach we adopt. We continue to perform our assessment, and while those activities are not complete, we expect to identify similar performance obligations under ASC 606 as compared to those previously identified.

C. Estimates and Assumptions

The preparation of consolidated financial statements in conformity with U.S. GAAP requires us to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could materially differ from estimated amounts. We evaluate our estimated assumptions based on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

D. Cash and Cash Equivalents

Our cash equivalents consist principally of overnight investments, bank money market accounts and bank time deposits which have an original maturity date of less than 90 days. These securities are carried at cost, which approximates market value.

E. Accounts Receivable and Allowance for Bad Debt

Credit extension, monitoring and collection are performed for each of our business segments. Each segment has a credit committee that is responsible for approving credit limits above certain amounts, setting and maintaining credit standards, and managing the overall quality of the credit portfolio. We perform ongoing credit evaluations of our customers and adjust credit limits based upon payment history and the customer’s current creditworthiness, as determined by our review of our customer’s credit information. We extend credit on an unsecured basis to most of our customers. Accounts receivable are deemed past due based on contractual terms agreed to with our customers. Although we analyze customers’ payment history and creditworthiness, we cannot predict with certainty that the customers to whom we extend credit will be able to remit payments on a timely basis, or at all. Because we extend credit on an unsecured basis to most of our customers, there is a possibility that any accounts receivable not collected will ultimately need to be written off. Write-offs for the year ended December 31, 2016 did not have a significant impact on our consolidated statement of operations.

We continuously monitor collections and payments from our customers and maintain a provision for estimated credit losses based upon our historical experience with our customers, current market and industry conditions affecting our customers and any specific customer collection issues that we have identified. Historical payment trends may not, however, be an accurate indicator of current or future credit worthiness of our customers, particularly in difficult economic and financial markets. As a result of the limited predictability inherent in estimating which customers are less likely or unlikely to remit amounts owed to us, our provision for estimated credit losses may not be sufficient. Any write-off of accounts receivable in excess of our provision for estimated credit losses would have an adverse effect on our results of operations.

F. Inventories

Inventories are valued primarily using average cost, and first-in first-out in certain limited locations, and are stated at the lower of average cost or market. We utilize a variety of fuel indices and other indicators of market value. Sharp negative changes in these indices can result in reduction of our inventory valuation, which could have an adverse impact on our results of operations in the period in which we take the adjustment. Historically these adjustments have

not had a significant impact on our consolidated statements of operations. Components of inventory include fuel purchase costs, the related transportation costs and changes in the estimated fair market values for inventories included in a fair value hedge relationship.

G. Business Combinations

The Company accounts for business combinations using the acquisition method of accounting, under which the purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. Contingent consideration obligations that are elements of the consideration transferred are recognized as of the acquisition date as part of the fair value transferred in exchange for the acquired business. Acquisition-related costs incurred in connection with a business combination are expensed as incurred.

H. Fair Value of Financial Instruments

We measure the fair value of financial instruments using observable and unobservable inputs. Observable inputs reflect what market participants would use in pricing the instrument, based on publicly available market data obtained from sources independent of us. Unobservable inputs are inputs for which market data are not available and reflect internal market assumptions.

The accounting guidance establishes the following fair value hierarchy:

Level 1 Inputs - Quoted prices in active markets.

Level 2 Inputs - Quoted prices for similar instruments in active markets other than quoted prices included within Level 1, quoted prices for identical or similar instruments in markets that are not active; and model based valuations whose inputs are observable.

Level 3 Inputs - Inputs that are unobservable.

Our policy is to recognize transfers between levels as of the beginning of the reporting period in which the event or change in circumstance caused the transfer to occur. There were no significant changes to our valuation techniques during 2016 and 2015. For additional information pertaining to our fair value measurements, see Note 11.

I. Derivatives

We enter into financial derivative contracts to mitigate the risk of market price fluctuations in aviation, marine and land fuel, to offer our customers fuel pricing alternatives to meet their needs and to mitigate the risk due to changes in foreign currency exchange rates. While we currently believe that our derivative contracts will be effective in mitigating the associated price risks, it is possible that our derivative instruments will be ineffective at mitigating material changes in prices, which could have an adverse impact on our financial position and results of operations. At the inception and on an ongoing basis, we assess the hedging relationship to determine its effectiveness in offsetting changes in cash flows or fair value attributable to the hedged risk.

The fair value of our derivatives is derived using observable and certain unobservable inputs, such as basis differentials, which are based on the difference between the historical prices of our prior transactions and the underlying observable data. Measurement of the fair value of our derivatives also requires the assessment of certain risks related to non-performance, which requires a significant amount of judgment. The effect on our income before income taxes of a 10% change in the model input for non-performance risk would not be significant to our consolidated statements of operations.

We have applied the normal purchase and normal sales exception (“NPNS”), as provided by accounting guidance for derivative instruments and hedging activities, to certain of our physical forward sales and purchase contracts. While these contracts are considered derivative instruments under the guidance for derivative instruments and hedging activities, they are not recorded at fair value, but rather are recorded in our consolidated financial statements when physical settlement of the contracts occurs. If it is determined that a transaction designated as NPNS no longer meets the scope of the exception, the fair value of the related contract is recognized as an asset or liability on the consolidated balance sheets and the changes in the the fair value of the contract is immediately recognized through earnings.

Our derivative contracts are subject to the accounting guidance for derivative instruments and recognized at their estimated fair market value in accordance with the accounting guidance for fair value measurements. If the derivative instrument is not designated as a hedge, changes in the estimated fair market value are recognized as a component of revenue, cost of revenue or other income (expense), net (based on the underlying transaction type) in the consolidated statements of income and comprehensive income. Derivatives which qualify for hedge accounting may be designated as either a fair value or cash flow hedge. For our fair value hedges, changes in the estimated fair market value of the hedging instrument and the hedged item are recognized in the same line item as a component of either revenue or cost of revenue (based on the underlying transaction type) in the consolidated statements of income and comprehensive income. For our cash flow hedges, the effective portion of the changes in the fair market value of the hedging instrument is initially recognized as a component of other comprehensive income in the shareholders' equity section of the consolidated balance sheets and subsequently reclassified into the same line item as the underlying forecasted transaction when both are settled or deemed probable of not occurring. The ineffective portion of the changes in the estimated fair market value of the hedging instrument is recognized in the same line item as a component of either revenue or cost of revenue (based on the underlying transaction type) in the consolidated statements of income and comprehensive income. Cash flows for our hedging instruments used in our hedges are classified in the same category as the cash flow from the hedged items. If for any reason hedge accounting is discontinued, then any cash flows subsequent to the date of discontinuance will be classified in a manner consistent with the nature of the instrument.

To qualify for hedge accounting, the hedging relationship between the hedging instruments and hedged items must be expected to be highly effective in achieving offsetting changes in the fair values or cash flows attributable to the hedged risk at the inception of the hedge. We use a regression analysis based on historical spot prices in assessing the qualification for our fair value and cash flow hedges. However, our measurement of hedge ineffectiveness for our fair value inventory hedges utilizes spot prices for the hedged item (inventory) and forward or futures prices for the hedging instrument. Hedge ineffectiveness measurement for our cash flow hedges is based on forward or futures prices for the hedged item and hedging instrument. Any excluded component (changes in the difference between the spot price and the forward or futures price) , along with ineffectiveness, is included as a component of revenue or cost of revenue in earnings. Adjustments to the carrying amounts of hedged items in a fair value hedge relationship are discontinued in instances where the related hedging instrument is deemed no longer highly effective in achieving offsetting changes in fair value. Therefore, any previously recorded fair market value changes are not adjusted until the fuel is sold. For more information on our derivatives, see Note 4.

J. Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the assets. Costs of major additions and improvements are capitalized while expenditures for maintenance and repairs, which do not extend the life of the asset, are expensed. Upon sale or disposition of property and equipment, the cost and related accumulated depreciation and amortization are eliminated from the accounts and any resulting gain or loss is credited or charged to income. Long-lived assets held and used by us are reviewed based on market factors and operational considerations for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Purchases of computer software are capitalized. External costs and certain internal costs directly associated with developing significant computer software applications for internal use are capitalized. Computer software costs are amortized using the straight-line method over the estimated useful life of the software.

K. Goodwill and Identifiable Intangible Assets

Goodwill arises because the purchase price paid reflects numerous factors, including the strategic fit and expected synergies these acquisitions bring to our existing operations. Goodwill is recorded at fair value and is reviewed at least annually at year-end (or more frequently under certain circumstances) for impairment.

Goodwill is evaluated for impairment during the fourth quarter of each year based on an assessment of qualitative factors to determine whether it is more likely than not that the fair value of any individual reporting unit is less than its carrying amount (Step 0). If we determine that it is more likely than not that the fair value of a reporting unit is greater than its carrying value, then no further testing is required. Otherwise, we would perform the two-step impairment analysis described below.

Step 1 requires us to compare the fair value of the reporting units to which goodwill was assigned to their respective carrying values. In calculating fair value, we use the income approach as our primary indicator of fair value. Under the income approach, we calculate the fair value of a reporting unit based on the present value of estimated future cash flows. These estimates are based on a number of factors including industry experience, business expectations and the economic environment. If the fair value exceeds the carrying value, no further work is required and no impairment loss is recognized. If the carrying value exceeds the fair value, the goodwill of the reporting unit is potentially impaired and the Company would then complete step 2 in order to measure the impairment loss.

The performance of the annual fiscal 2016 impairment analysis did not result in an impairment of the Company's goodwill. The qualitative assessment associated with step 0 and the quantitative assessment associated with step 1 of our goodwill impairment analysis both involve significant management estimates and judgment in order to properly determine that the factors assessed are appropriate and are accurate for each of the Company’s reporting units.

In connection with our acquisitions, we record identifiable intangible assets at fair value. The determination of the fair values of our identifiable intangible assets involves a significant amount of forecasting and other assumptions associated with recently acquired businesses for which we may not have as much historical information or trend data as we would for our existing businesses. Identifiable intangible assets subject to amortization are amortized over their estimated useful lives and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We assess identifiable intangible assets not subject to amortization during the fourth quarter of each year for potential impairment. Our impairment analysis of our intangible assets not subject to amortization (primarily trademarks and/or trade names) generally involves the use of qualitative and quantitative analyses to estimate whether the estimated future cash flows generated as a result of these assets will be greater than or equal to the carrying value assigned to such assets. We have not historically incurred any impairment losses associated with our intangible assets.

L. Other Investments

Our other investments consist primarily of equity investments, net of basis adjustments. These investments are accounted for under the equity method as we own less than 50 percent of the entities and exercise significant influence over the investee, but do not have operational or financial control. As of December 31, 2016 and 2015, we had other investments of $67.2 million and $71.1 million, respectively, which are included within identifiable intangible and other non-current assets.

M. Revenue Recognition

Revenue from the sale of fuel is recognized when the sales price is fixed or determinable, collectability is reasonably assured and title passes to the customer, which is when the delivery of fuel is made to our customer directly from us, the supplier or a third-party subcontractor. Our fuel sales are generated as a fuel reseller as well as from on-hand inventory supply. When acting as a fuel reseller, we generally purchase fuel from the supplier, and contemporaneously resell the fuel to the customer, normally taking delivery for purchased fuel at the same place and time as the delivery is made to the customer. We record the gross sale of the fuel as we generally take inventory risk, have latitude in establishing the sales price, have discretion in the supplier selection, maintain credit risk and are the primary obligor in the sales arrangement.

Revenue from fuel-related services is recognized when services are performed, the sales price is fixed or determinable and collectability is reasonably assured. We record the sale of fuel-related services on a gross basis as we generally have latitude in establishing the sales price, have discretion in supplier selection, maintain credit risk and are the primary obligor in the sales arrangement.

Commission from fuel broker services is recognized when services are performed and collectability is reasonably assured. When acting as a fuel broker, we are paid a commission by the supplier.

Revenue from card payment and processing transactions is recognized at the time the purchase is made by the customer using the charge card.

Whether the services have been performed and when title and risk of loss passes to the customer are the factors we take into consideration in deciding when to recognize revenue. These factors are readily determinable and consistently applied throughout our business. Therefore, we generally have not needed to make significant estimates or assumptions with respect to revenue recognition.

N. Share-Based Payment Awards

We account for share-based payment awards on a fair value basis. Under fair value accounting, the grant-date fair value of the share-based payment award is amortized as compensation expense, on a straight-line basis, over the vesting period for both graded and cliff vesting awards. Annual compensation expense for share-based payment awards is reduced by an expected forfeiture amount on outstanding share-based payment awards. We utilize our historical forfeiture rates to calculate future expected forfeitures. These estimates can vary significantly from actual forfeiture rates experienced. Our estimated forfeiture rates have historically approximated actual forfeitures.

The estimated fair value of stock awards, such as restricted stock and restricted stock units ("RSUs") is based on the grant-date market value of our common stock, as defined in the respective plans under which the awards were granted. To determine the estimated fair value of stock-settled stock appreciation rights ("SSAR Awards"), we use the Black-Scholes option pricing model. The estimation of the fair value of SSAR Awards on the date of grant using an option-pricing model is affected by our stock price as well as assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, actual and projected employee stock option exercise behaviors, risk- free interest rates and expected dividends. The expected term of SSAR Awards represents the estimated period of time from grant until exercise or conversion and is based on vesting schedules and expected post-vesting, exercise and employment termination behavior. Expected volatility is based on the historical volatility of our common stock over the period that is equivalent to the award's expected life. Any adjustment to the historical volatility as an indicator of future volatility would be based on the impact to historical volatility of significant non-recurring events that would not be expected in the future. Risk-free interest rates are based on the U.S. Treasury yield curve at the time of grant for the period that is equivalent to the award's expected life. Dividend yields are based on the historical dividends of World Fuel over the period that is equivalent to the award's expected life, as adjusted for stock splits.

We have elected to early adopt ASU 2016-09 - *Stock Compensation - Improvements to Employee Share-Based Payment Accounting.* As required by ASU 2016.09, cash flows from income tax benefits resulting from income tax deductions in excess of the compensation cost recognized for share-based payment awards (excess income tax benefits) are classified as operating cash flows.

O. Foreign Currency

The functional currency of our U.S. and foreign subsidiaries is the U.S. dollar, except for certain subsidiaries which utilize their respective local currency as their functional currency. Foreign currency transaction gains and losses are recognized upon settlement of foreign currency transactions. In addition, for unsettled foreign currency transactions, foreign currency translation gains and losses are recognized for changes between the transaction exchange rates and month-end exchange rates. Foreign currency transaction gains and losses are included in other income (expense), net, in the accompanying consolidated statements of income and comprehensive income in the period incurred.

Revenues and expenses of the subsidiaries that have a functional currency other than the U.S. dollar have been translated into U.S. dollars at average exchange rates prevailing during the period. The assets and liabilities of these subsidiaries have been translated at the rates of exchange on the balance sheet dates. The resulting translation gain and loss adjustments are recorded in accumulated other comprehensive income as a separate component of shareholders' equity.

P. Income Taxes

Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and operating loss and income tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in income tax rates is recognized in the income tax provision in the period that includes the enactment date.

We must assess the likelihood that our deferred tax assets will be recovered from our future taxable income, and to the extent we believe that recovery is not likely, we must establish a valuation allowance against those deferred tax assets. Deferred tax liabilities generally represent items for which we have already taken a deduction in our income tax return, but we have not yet recognized the items as expenses in our results of operations.

Significant judgment is required in evaluating our tax positions, and in determining our provisions for income taxes, our deferred tax assets and liabilities and any valuation allowance recorded against our net deferred tax assets. We establish reserves when, despite our belief that the income tax return positions are fully supportable, certain positions are likely to be challenged and we may ultimately not prevail in defending those positions.

U.S. income taxes have not been recognized on undistributed earnings of foreign subsidiaries. Our intention is to reinvest these earnings permanently in active non-U.S. business operations. Therefore, no income tax liability has been accrued for these earnings. Because of the availability of U.S. foreign tax credits, it is not practicable to determine the amount of U.S. income tax payable if such earnings are not reinvested indefinitely.

Q. Earnings per Common Share

Basic earnings per common share is computed by dividing net income attributable to World Fuel and available to common shareholders by the sum of the weighted average number of shares of common stock, stock units, restricted stock entitled to dividends not subject to forfeiture and vested RSUs outstanding during the period. Diluted earnings per common share is computed by dividing net income attributable to World Fuel and available to common shareholders by the sum of the weighted average number of shares of common stock, stock units, restricted stock entitled to dividends not subject to forfeiture and vested RSUs outstanding during the period and the number of additional shares of common stock that would have been outstanding if our outstanding potentially dilutive securities had been issued. Potentially dilutive securities include restricted stock subject to forfeitable dividends, non-vested RSUs and SSAR Awards. The dilutive effect of potentially dilutive securities is reflected in diluted earnings per common share by application of the treasury stock method. Under the treasury stock method, an increase in the fair market value of our common stock can result in a greater dilutive effect from potentially dilutive securities.

The following table sets forth the computation of basic and diluted earnings per common share for the periods presented (in millions, except per share amounts):

	2016	2015	2014
Numerator:			
Net income attributable to World Fuel	$ 126.5	$ 174.5	$ 224.5
Denominator:			
Weighted average common shares for basic earnings per common share	69.3	70.2	70.8
Effect of dilutive securities	0.5	0.5	0.5
Weighted average common shares for diluted earnings per common share	69.8	70.7	71.3
Weighted average securities which are not included in the calculation of diluted earnings per common share because their impact is anti-dilutive or their performance conditions have not been met	1.3	1.0	0.9
Basic earnings per common share	$ 1.82	$ 2.49	$ 3.17
Diluted earnings per common share	$ 1.81	$ 2.47	$ 3.15

2. Accounts Receivable

We had accounts receivable of $2.3 billion and $1.8 billion, net of an allowance for bad debt of $24.9 million and $25.0 million, as of December 31, 2016 and 2015, respectively. Accounts receivable are written-off when it becomes apparent based upon age or customer circumstances that such amounts will not be collected.

The following table sets forth activities in our allowance for bad debt (in millions):

	2016	2015	2014
Balance as of beginning of period	$ 25.0	$ 25.7	$ 29.2
Charges to provision for bad debt	15.4	7.5	3.8
Write-off of uncollectible accounts receivable	(15.9)	(8.3)	(8.0)
Recoveries of bad debt	0.3	0.5	0.8
Translation Adjustments	0.2	(0.4)	—
Balance as of end of period	$ 24.9	$ 25.0	$ 25.7

Included in accounts receivable is a retained beneficial interest related to accounts receivable sold under our receivables purchase agreements. The retained beneficial interest was not significant as of December 31, 2016 and 2015.

3. Acquisitions and Divestitures

2016 Acquisitions

In the first quarter of 2016, we signed a definitive agreement to acquire from certain ExxonMobil affiliates their aviation fueling operations at more than 80 airport locations in Canada, the U.K., Germany, Italy, France, Australia and New Zealand. The total purchase price is approximately $260.0 million and is expected to be fully funded with cash on hand. On November 1, 2016, we completed the acquisition of the Canada locations and certain France locations. On December 1, 2016, we completed the acquisition of the U.K. locations and the remaining France locations. The remaining locations are expected to be completed during the first half of 2017. The transaction is subject to customary regulatory consents and closing conditions, including securing third party consents.

On July 1, 2016, we completed the acquisition of all of the outstanding capital stock of PAPCO and APP. PAPCO, headquartered in Virginia Beach, Virginia and APP, headquartered in Tacoma, Washington are leading distributors of gasoline, diesel, lubricants, propane and related services in the Mid-Atlantic and the Pacific Northwest region of the United States, respectively. These acquisitions combined with the Company's existing land segment operations, will serve to further enhance our commercial and industrial platforms to deliver value-added solutions to customers across the United States.

In addition to the above acquisitions, we completed six acquisitions in our land segment in 2016 which were not significant individually or in the aggregate.

The following reconciles the estimated aggregate purchase price for the 2016 acquisitions to the cash paid for the acquisitions, net of cash acquired (in millions):

Estimated purchase price	$ 446.9
Less: Cash acquired	2.6
Estimated purchase price, net of cash acquired	444.3
Less: Amounts due to sellers and promissory notes issued	20.0
Cash paid for acquisition of businesses	$ 424.3

The following table summarizes the aggregate consideration paid for all 2016 acquisitions and the provisional amounts of the assets acquired and liabilities assumed recognized at the acquisition date. The Company is in the process of finalizing the valuations of certain acquired assets and assumed liabilities; thus, the provisional measurements of these acquired assets and assumed liabilities are subject to change and will be finalized no later than one year from the acquisition date. The estimated purchase price allocation for the 2016 acquisitions is as follows (in millions):

Assets acquired:		
Cash and cash equivalents	$	2.6
Accounts receivable		62.8
Inventories		39.0
Property and equipment		100.3
Other current assets		11.9
Goodwill and identifiable intangible assets		291.9
Other long-term assets		2.9
Liabilities assumed:		
Accounts payable		(38.1)
Accrued expenses and other current liabilities		(22.9)
Non-current income tax liabilities and other long term liabilities		(3.5)
Estimated purchase price	$	446.9

In connection with the 2016 acquisitions, we recorded goodwill of $173.3 million of which $133.4 million is anticipated to be deductible for tax purposes. All of the goodwill is attributable primarily to the expected synergies and other benefits that we believe will result from combining the operations of the acquired businesses with the operations of World Fuel Services' land and aviation segments. The identifiable intangible assets consisted of $105.1 million of customer relationships and $3.9 million of other identifiable intangible assets with weighted average lives of 5.6 years and 2.1 years, respectively, as well as $9.5 million of indefinite-lived trademark/trade name rights.

The following presents the unaudited pro forma results for 2016 and 2015 as if 2016 and 2015 acquisitions had been completed on January 1, 2015:

		2016 (pro forma)		2015 (pro forma)
Revenue	$	27,925.0	$	32,604.4
Net income attributable to World Fuel	$	146.1	$	202.0
Earnings per common share:				
Basic	$	2.11	$	2.88
Diluted	$	2.09	$	2.86

The financial position, results of operations and cash flows of the 2016 acquisitions have been included in our consolidated financial statements since their respective acquisition dates and did not have a significant impact on our revenue and net income for the year ended December 31, 2016.

Tobras Distribuidora de Combustiveis Limitada

On June 23, 2016, we acquired the remaining 49% of the outstanding equity interest of Tobras from the minority owners for an aggregate purchase price of approximately $3.7 million in cash (the “Tobras Acquisition”). Prior to the Tobras Acquisition, we owned 51% of the outstanding shares of Tobras and exercised control, and as such, we consolidated Tobras in our financial statements. As a result of the acquisition of the remaining equity interest of Tobras, we recorded a $10.9 million adjustment to capital in excess of par value on our consolidated balance sheets, which consisted of $3.7 million of cash paid and $7.2 million of non-controlling interest equity.

2016 Other transactions

Crude Oil Joint Venture Interests

In connection with the December 2016 bankruptcy filing of our former joint venture partner, we wrote off approximately $7.5 million of outstanding amounts owed to us by our former joint venture partner, during the three months ended December 31, 2016.

2015 Acquisitions

On September 1, 2015, we completed the acquisition of all of the outstanding stock of Pester, a leading distributor, transporter, and blender of branded motor fuels and lubricants to wholesale, industrial, commercial and agricultural customers. Pester is headquartered in Denver, Colorado and is also a leading operator of retail convenience stores in the Rocky Mountain region. In connection with the Pester acquisition, we committed to a plan to sell certain assets and liabilities of Pester's fuel retail business. The assets and liabilities of the business were presented separately as held for sale in our consolidated balance sheets as of December 31, 2015. Current assets held for sale of the disposal group, which includes inventories and other current assets, were $5.5 million. The non-current assets held for sale, which include property and equipment, goodwill and identifiable intangible assets, were $36.5 million. Goodwill was subsequently adjusted from $5.9 million to $2.9 million within the one year purchase price allocation period. Current liabilities held for sale, which includes accounts payable and accrued expenses and other current liabilities, were $5.6 million. Non-current liabilities held for sale, comprised of deferred tax liabilities, were $5.0 million. These net assets were reported as part of our land segment. On May 1, 2016, we completed the sale of Pester's retail business for $32.3 million, resulting in a gain of $3.8 million, which is included in other income, net in the consolidated statement of income and comprehensive income.

In addition to the above acquisition, in 2015 we completed three acquisitions in our land segment and one acquisition in our aviation segment which were not material individually or in the aggregate.

The aggregate purchase price for the 2015 acquisitions was $102.3 million. The following reconciles the aggregate purchase price for the 2015 acquisitions to the cash paid for the acquisitions, net of cash acquired (in millions):

Purchase price	$	102.3
Less: Cash acquired		8.7
Purchase price, net of cash acquired		93.6
Less: Amounts due to sellers and promissory notes issued		0.5
Cash paid for acquisition of businesses	$	93.1

The purchase price of the 2015 acquisitions was allocated to the assets acquired and liabilities assumed based on their fair value as of the acquisition date. The estimated purchase price allocation for the 2015 acquisitions is as follows (in millions):

Assets acquired:		
Cash and cash equivalents	$	8.7
Accounts receivable		8.9
Inventories		7.4
Property and equipment		40.7
Identifiable intangible assets		25.9
Goodwill		39.4
Other current and long-term assets		31.1
Liabilities assumed:		
Short-term debt		(0.5)
Accounts payable		(10.7)
Customer Deposits		(1.5)
Accrued expenses and other current liabilities		(38.6)
Non-current income tax liabilities and other long term liabilities		(8.5)
Purchase price	$	102.3

In connection with the 2015 acquisitions, we recorded goodwill of $39.4 million of which $1.7 million is anticipated to be deductible for tax purposes. The identifiable intangible assets consisted of $18.1 million of customer relationships, $4.8 million of supplier relationships and $2.1 million of other identifiable intangible assets with weighted average lives of 5.3 years, 6.2 years and 3.4 years, respectively, as well as $0.9 million of indefinite-lived trademark/trade name rights.

The following presents the unaudited pro forma results for 2015 and 2014 as if the 2015 and 2014 acquisitions had been completed on January 1, 2014 (in millions, except per share data):

		2015 (pro forma)		2014 (pro forma)
Revenue	$	30,952.0	$	44,432.0
Net income attributable to World Fuel	$	190.6	$	231.1
Earnings per common share:				
Basic	$	2.71	$	3.26
Diluted	$	2.70	$	3.24

The financial position, results of operations and cash flows of the 2015 acquisitions have been included in our consolidated financial statements since their respective acquisition dates and did not have a significant impact on our revenue and net income for the 2015.

2014 Acquisitions

On March 7, 2014, we completed the acquisition of all of the outstanding stock of Watson Petroleum Limited (now known as WFL (UK) Limited) ("Watson Petroleum") a leading distributor of gasoline, diesel, heating oil, lubricants and other products and related services. Watson Petroleum is headquartered in Brinkworth, England and is one of the largest fuel distributors in the U.K. The purchase price of Watson Petroleum was $164.3 million.

On July 29, 2014, we completed the acquisition of all of the outstanding stock of Colt International, L.L.C. ("Colt") a leading provider of contract fuel and international trip planning services in the general aviation marketplace. Colt is headquartered in Houston, Texas and offers services at more than 3,000 locations. The purchase price of Colt was $72.9 million.

In addition to the above acquisitions, in 2014, we completed two acquisitions in our aviation segment and one acquisition in our marine segment, which were not material individually or in the aggregate.

The financial position, results of operations and cash flows of the 2014 acquisitions have been included in our consolidated financial statements since their respective acquisition dates.

The following reconciles the aggregate purchase price for the 2014 acquisitions to the cash paid for the acquisitions, net of cash acquired (in millions):

Purchase price	$	295.8
Less: Cash acquired		20.2
Purchase price, net of cash acquired		275.6
Less: Promissory notes issued		9.0
Less: Amounts due to sellers		3.4
Cash paid for acquisition of businesses	$	263.2

The purchase price for each of the 2014 acquisitions was allocated to the assets acquired and liabilities assumed based on their estimated fair value at the acquisition date. On an aggregate basis, the purchase price allocation for the 2014 acquisitions is as follows (in millions):

Assets acquired:		
Cash and cash equivalents	$	20.2
Accounts receivable		257.9
Inventories		14.4
Property and equipment		55.9
Identifiable intangible assets		83.5
Goodwill		177.8
Other current and long-term assets		22.5
Liabilities assumed:		
Accounts payable		(247.6)
Accrued expenses and other current liabilities		(50.7)
Other long-term liabilities		(18.7)
Initial noncontrolling interest upon acquisition of businesses		(19.4)
Purchase price	$	295.8

In connection with the acquisition of Watson Petroleum, we made a payment of £13.0 million ($21.7 million) to an escrow account related to an estimated assumed pension exit obligation and amounts due to sellers. During 2015, we completed the pension buy-out and the remaining escrow account balance of £3.4 million ($5.1 million) was paid to the sellers. As of December 31, 2015 we had an additional amount due to sellers of £2.1 million ($3.0 million) which is included in accrued expenses and other current liabilities in the accompanying consolidated balance sheets.

For our 2014 acquisitions, we recorded goodwill of $177.8 million, of which $22.4 million is anticipated to be deductible for tax purposes. The aggregate identifiable intangible assets consisted of $55.5 million of customer relationships and $16.5 million of other identifiable intangible assets with weighted average lives of 4.9 years and 5.0 years, respectively, as well as $11.5 million of indefinite-lived trademark/trade name rights.

4. Derivative Instruments

The following describes our derivative classifications:

Cash Flow Hedges. Includes certain derivative contracts we execute to mitigate the risk of price volatility in forecasted transactions.

Fair Value Hedges. Includes derivative contracts we hold to hedge the risk of changes in the price of our inventory.

Non-designated Derivatives. Includes derivatives we primarily transact to mitigate the risk of market price fluctuations in the form of swap or futures contracts as well as certain forward fixed price purchase and sale contracts and proprietary trading. In addition, non-designated derivatives are held to hedge the risk of currency rate fluctuations. For additional information on our derivatives accounting policy, see Note 1.

The following table presents the gross fair value of our derivative instruments and their locations on the consolidated balance sheets (in millions):

Derivative Instruments	Balance Sheet Location	Gross Derivative Assets As of December 31, 2016	Gross Derivative Assets As of December 31, 2015	Gross Derivative Liabilities As of December 31, 2016	Gross Derivative Liabilities As of December 31, 2015
Derivatives designated as hedging instruments					
Commodity contracts	Short-term derivative assets, net	$ 2.2	$ 120.6	$ 5.4	$ 95.0
	Identifiable intangible and other non-current assets	—	7.4	—	—
	Accrued expenses and other current liabilities	86.0	6.3	93.5	2.9
	Other long-term liabilities	5.1	—	10.1	—
Total derivatives designated as hedging instruments		$ 93.3	$ 134.3	$ 108.9	$ 97.9
Derivatives not designated as hedging instruments					
Commodity contracts	Short-term derivative assets, net	$ 160.3	$ 241.4	$ 86.7	26.6
	Identifiable intangible and other non-current assets	17.1	17.0	6.2	4.8
	Accrued expenses and other current liabilities	52.5	120.4	112.2	319.9
	Other long-term liabilities	8.1	4.0	12.1	14.2
		$ 238.0	$ 382.9	$ 217.2	$ 365.5
Foreign currency contracts	Short-term derivative assets, net	$ 13.5	$ 10.8	$ 3.4	$ 3.3
	Identifiable intangible and other non-current assets	0.9	0.7	0.1	0.1
	Accrued expenses and other current liabilities	1.6	0.8	2.8	1.7
Total derivatives not designated as hedging instruments		$ 16.0	$ 12.4	$ 6.4	$ 5.0
Total derivatives		$ 347.2	$ 529.6	$ 332.5	$ 468.5

For information regarding our derivative instruments measured at fair value after netting and collateral see Note 11.

The following table summarizes the gross notional values of our commodity and foreign currency exchange derivative contracts used for risk management purposes that were outstanding as of December 31, 2016 (in millions):

		As of December 31,
Derivative Instruments	**Units**	**2016**
Commodity contracts		
Long	BBL	62.7
Short	BBL	(66.7)
Foreign currency exchange contracts		
Long	AUD	0.2
Short	AUD	(5.2)
Long	CAD	51.9
Short	CAD	(115.9)
Long	CHF	—
Short	CHF	(0.6)
Long	CLP	1,769.6
Short	CLP	(2,015.1)
Long	COP	27,753.2
Short	COP	(48,454.9)
Long	DKK	5.5
Short	DKK	(135.7)
Long	EUR	5.0
Short	EUR	(38.7)
Long	GBP	72.0
Short	GBP	(81.4)
Long	INR	20.3
Short	INR	(92.7)
Long	JPY	1,167.9
Short	JPY	(1,509.2)
Short	KRW	(11,735.9)
Long	MXN	1,229.1
Short	MXN	(1,105.6)
Long	NOK	9.6
Short	NOK	(43.8)
Short	NZD	(0.9)
Short	PHP	(8.0)
Long	PLN	—
Short	PLN	(9.7)
Short	RON	(3.9)
Long	SEK	36.7
Short	SEK	(6.4)
Long	SGD	15.9
Short	SGD	(31.6)
Long	ZAR	16.4
Short	ZAR	(15.4)

For additional information about our use of derivative instruments, see *Item 7A. Quantitative and Qualitative Disclosures About Market Risk.*

The following table presents the effect and financial statement location of our derivative instruments and related hedged items in fair value hedging relationships on our consolidated statements of income and comprehensive income (in millions):

Derivative Instruments	Location of Gain (Loss)	Realized and Unrealized Gain (Loss) for the Year ended December 31, 2016	2015	2014	Hedged Items	Location of Gain (Loss)	Realized and Unrealized Gain (Loss) for the Year ended December 31, 2016	2015	2014
Commodity contracts					Inventories				
	Revenue	$ —	$ 49.3	$ —		Revenue	$ —	$ —	$ —
	Cost of revenue	(25.3)	37.5	132.2		Cost of revenue	10.8	(70.7)	(150.9)
Total gain (loss)		$ (25.3)	$ 86.8	$ 132.2	Total gain (loss)		$ 10.8	$ (70.7)	$ (150.9)

The net gains or losses recognized in income for the years ended December 31, 2016, 2015 and 2014 representing hedge ineffectiveness were -$14.5 million, $16.1 million, and -$18.7 million respectively. There were no gains or losses for the year ended December 31, 2016, 2015 and 2014 that were excluded from the assessment of the effectiveness of our fair value hedges.

The following table presents the effect and financial statement location of our derivative instruments in cash flow hedging relationships on our accumulated other comprehensive income and consolidated statements of income and comprehensive income (in millions):

Derivative Instruments	Amount of Gain (Loss) Recognized in Accumulated Other Comprehensive Income (Effective Portion) for the Year ended December 31, 2016	2015	2014	Location of Gain (Loss)	Amount of Gain (Loss) Reclassified from Accumulated Other Comprehensive Income into Income (Effective Portion) for the Year ended December 31, 2016	2015	2014
Commodity contracts	$ (145.8)	$ 106.5	$ —	Revenue	$ 18.1	$ 7.2	$ —
Commodity contracts	178.1	(105.4)	—	Cost of revenue	20.8	(5.3)	—
Total gain (loss)	$ 32.3	$ 1.0	$ —	Total gain (loss)	$ 38.8	$ 1.8	$ —

Location of Gain (Loss)	Amount of Gain (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing) for the Year ended December 31, 2016	2015	2014
Revenue	$ (13.7)	$ 28.6	$ —
Cost of revenue	9.4	(17.8)	—
Total gain (loss)	$ (4.4)	$ 10.8	$ —

The effective portion of the gains or losses on derivative instruments designated as cash flow hedges of forecasted transactions are initially reported as a component of accumulated other comprehensive income and subsequently reclassified into earnings once the future transaction affects earnings.

The following table presents the effect and financial statement location of our derivative instruments not designated as hedging instruments on our consolidated statements of income and comprehensive income (in millions):

Derivative Instruments - Non-designated	Location of Gain (Loss)	Amount of Realized and Unrealized Gain (Loss) for the Year ended December 31, 2016	2015	2014
Commodity contracts				
	Revenue	$ 29.7	$ 171.7	$ 64.5
	Cost of revenue	(31.6)	(139.0)	2.2
		$ (1.9)	$ 32.7	$ 66.7
Foreign currency contracts				
	Revenue	$ 10.0	$ 4.1	$ 4.3
	Other (expense) income, net	(0.8)	9.5	12.6
		$ 9.2	$ 13.6	$ 16.9
Total gain (loss)		$ 7.3	$ 46.3	$ 83.6

Credit-Risk-Related Contingent Features

We enter into derivative contracts which may require us to post collateral periodically. Certain of these derivative contracts contain credit-risk-related contingent clauses which are triggered by credit events. These credit events may include the requirement to post additional collateral or the immediate settlement of the derivative instruments upon the occurrence of a credit downgrade or if certain defined financial ratios fall below an established threshold.

As of December 31, 2016, the net liability position for such contracts is $15.2 million, there was no collateral posted, and the maximum potential collateral requirements arising from the credit risk related contingent features to be posted should a credit-risk contingent feature be triggered is $15.2 million. As of December 31, 2015, the net liability position for such contracts is $63.2 million, the collateral posted is $28.1 million and the maximum potential collateral requirements arising from the credit risk related contingent features to be posted should a credit-risk contingent feature be triggered is $35.1 million.

5. Property and Equipment

The amount of property and equipment and their respective estimated useful lives are as follows (in millions, except estimated useful lives):

	As of December 31, 2016	2015	Estimated Useful Lives
Land	$ 27.4	$ 31.6	Indefinite
Buildings and leasehold improvements	87.3	41.2	3 - 40 years
Office equipment, furniture and fixtures	15.4	14.1	3 - 10 years
Computer equipment and software costs	140.7	118.9	3 - 10 years
Machinery, equipment and vehicles	217.5	160.1	3 - 40 years
	488.3	365.9	
Accumulated depreciation and amortization	177.1	140.3	
	$ 311.2	$ 225.6	

For 2016, 2015 and 2014, we recorded depreciation expense of $42.5 million, $35.1 million and $30.3 million, respectively.

The amount of computer software costs, including capitalized internally developed software costs are as follows (in millions):

	As of December 31,	
	2016	2015
Computer software costs	$ 94.5	$ 91.4
Accumulated amortization	69.5	55.8
Computer software costs, net	$ 25.0	$ 35.6

Included in capitalized computer software costs are costs incurred in connection with software development in progress of $12.5 million and $7.0 million as of December 31, 2016 and 2015, respectively. For 2016, 2015 and 2014, we recorded amortization expense related to computer software costs of $13.7 million, $10.7 million and $9.8 million, respectively.

The assets and accumulated amortization recorded under capital leases are as follows (in millions):

	As of December 31,	
	2016	2015
Capital leases	$ 24.4	$ 23.0
Accumulated amortization	8.2	11.0
Capital leases, net	$ 16.2	$ 12.0

6. Goodwill and Identifiable Intangible Assets

In 2016, we used quantitative factors to review goodwill for impairment for all of our reporting units and performed a qualitative analysis to review our identifiable intangible assets not subject to amortization for impairment. As a result of performing the aforementioned assessments, we determined that no impairment existed as of December 31, 2016 and, therefore, there were no write-downs to any of our goodwill or identifiable intangible assets not subject to amortization.

Goodwill

The following table provides information regarding changes in goodwill (in millions):

	Aviation Segment	Marine Segment	Land Segment	Total
As of December 31, 2014	$ 174.3	$ 73.1	$ 405.9	$ 653.3
2015 acquisitions	$ 1.7	$ —	$ 37.7	$ 39.4
Goodwill classified as held for sale	—	—	(5.9)	(5.9)
Foreign currency translation of non-USD functional currency subsidiary goodwill	(2.3)	(1.7)	(7.0)	(11.0)
As of December 31, 2015	173.7	71.4	430.7	675.8
2016 acquisitions[a]	95.6	—	77.7	173.3
Adjustment of purchase price allocations[b]	1.3	0.1	5.5	6.9
Foreign currency translation of non-USD functional currency subsidiary goodwill	(3.7)	0.7	(17.3)	(20.3)
As of December 31, 2016	$ 266.8	$ 72.3	$ 496.7	$ 835.8

[a] Primarily reflects our acquisitions of certain ExxonMobil affiliates, PAPCO and APP, and are subject to change until we complete the valuation of assets acquired and liabilities assumed. For additional information, see Note 3.

[b] Reflects the purchase price allocation adjustments of 2015 acquisitions, including goodwill classified as held for sale.

Identifiable Intangible Assets

The following table provides information about our identifiable intangible assets (in millions):

	As of December 31, 2016			As of December 31, 2015		
	Gross Carrying Amount	Accumulated Amortization [1]	Net	Gross Carrying Amount	Accumulated Amortization [1]	Net
Intangible assets subject to amortization:						
Customer relationships	$ 353.8	$ 155.5	$ 198.3	$ 255.5	$ 125.4	$ 130.1
Supplier agreements	38.7	13.3	25.4	38.5	10.7	27.8
Others	37.2	20.2	17.0	37.2	16.1	21.1
	429.7	189.1	240.7	331.2	152.2	179.0
Intangible assets not subject to amortization:						
Trademark/trade name rights	41.7	—	41.7	31.9	—	31.9
	$ 471.4	$ 189.1	$ 282.3	$ 363.1	$ 152.2	$ 210.9

[1] Includes the impact of foreign exchange

Intangible amortization expense for 2016, 2015 and 2014 was $39.7 million, $30.4 million and $27.0 million, respectively.

The future estimated amortization of our identifiable intangible assets is as follows (in millions):

Year Ended December 31,	
2017	$ 41.1
2018	38.1
2019	32.5
2020	27.8
2021	24.4
Thereafter	76.7
	$ 240.7

7. Debt

We have a Credit facility which permits borrowing up to $1.26 billion with a sublimit of $400.0 million for the issuance of letters of credit and bankers' acceptances. Under the Credit Facility, we have the right to request increases in available borrowings up to an additional $200.0 million, subject to the satisfaction of certain conditions. The Credit Facility matures in October 2021. We had outstanding borrowings under our Credit Facility totaling $325.2 million and $416.0 million as of December 31, 2016 and 2015, respectively.

Our issued letters of credit under the Credit Facility totaled $8.3 million and $5.5 million as of December 31, 2016 and 2015, respectively. We also had $840.0 million and $333.2 million in Term Loans outstanding as of December 31, 2016 and 2015, respectively. As of December 31, 2016 and 2015, the unused portion of our Credit Facility was $926.5 million and $838.5 million, respectively. Availability under our Credit Facility is also limited by, among other things our financial leverage ratio, which limits the total amount of indebtedness we may incur, and may therefore fluctuate from period to period.

Borrowings under our Credit Facility and Term Loans related to base rate loans or Eurodollar rate loans bear floating interest rates plus applicable margins. As of December 31, 2016, the applicable margins for base rate loans and Eurodollar rate loans were 1.25% and 2.25%, respectively. Letters of credit issued under our Credit Facility are subject to letter of credit fees of 2.50% as of December 31, 2016, and the unused portion of our Credit Facility is subject to commitment fees of 0.30% as of December 31, 2016.

Our Credit Facility and our Term Loans contain certain financial and other covenants with which we are required to comply. Our failure to comply with the covenants contained in our Credit Facility and our Term Loans could result in an event of default. An event of default, if not cured or waived, would permit acceleration of any outstanding indebtedness under the Credit Facility and our Term Loans, trigger cross-defaults under certain other agreements to which we are a party and impair our ability to obtain working capital advances and issue letters of credit, which would have a material adverse effect on our business, financial condition, results of operations and cash flows. As of December 31, 2016, we were in compliance with all financial and other covenants contained in our Credit Facility and our Term Loans.

Outside of our Credit Facility we have other uncommitted credit lines primarily for the issuance of letters of credit, bank guarantees and bankers' acceptances. These credit lines are renewable on an annual basis and are subject to fees at market rates. As of December 31, 2016 and 2015, our outstanding letters of credit and bank guarantees under these credit lines totaled $176.5 million and $208.4 million, respectively.

Substantially all of the letters of credit and bank guarantees issued under our Credit Facility and the uncommitted credit lines were provided to suppliers in the normal course of business and generally expire within one year of issuance. Expired letters of credit and bank guarantees are renewed as needed.

Our debt consisted of the following (in millions):

	As of December 31,	
	2016	2015
Credit Facility	$ 325.2	$ 416.0
Term Loans	840.0	333.2
Capital leases	12.6	12.0
Other	8.5	11.0
Total debt	$ 1,186.3	$ 772.2
Short-term debt	$ 15.4	$ 25.5
Long-term debt	$ 1,170.8	$ 746.7

The capital lease obligations are payable in varying amounts through November 2023 and bear interest at annual rates ranging from 3.0% to 6.7% as of December 31, 2016. The other debt primarily relates to acquisition promissory notes and loans payable to noncontrolling shareholders of a consolidated subsidiary which are payable in varying amounts from July 2017 to October 2017 and bear interest at annual rates ranging from 2.0% to 8.6% as of December 31, 2016. The weighted average interest rate on our short-term debt was 2.3% and 2.7% as of December 31, 2016 and 2015, respectively.

As of December 31, 2016, the aggregate annual maturities of debt are as follows (in millions):

Year Ended December 31,	
2017	$ 15.4
2018	24.1
2019	39.5
2020	56.1
2021	1,049.0
Thereafter	2.1
	$ 1,186.3

The following table provides additional information about our interest income and expense and other financing costs, net (in millions):

	2016	2015	2014
Interest income	$ 4.5	$ 5.0	$ 6.0
Interest expense and other financing costs	(43.7)	(34.9)	(31.2)
	$ (39.2)	$ (29.9)	$ (25.2)

8. Commitments and Contingencies

Surety Bonds

In the normal course of business, we are required to post bid, performance and garnishment bonds. The majority of the surety bonds posted relate to our aviation and land segments. As of December 31, 2016 and 2015, we had outstanding bonds that were arranged in order to satisfy various security requirements of $52.8 million and $39.1 million, respectively. Most of these bonds provide financial security for obligations which have already been recorded as liabilities.

Lease Commitments

As of December 31, 2016, our future minimum lease payments under non-cancelable operating leases were as follows (in millions):

Year Ended December 31,	
2017	$ 38.4
2018	25.9
2019	20.9
2020	17.0
2021	12.8
Thereafter	34.7
	$ 149.8

We incurred rental expense for all properties and equipment of $36.9 million, $31.6 million and $29.2 million for 2016, 2015 and 2014, respectively. Minimum payments have not been reduced by minimum sublease rentals of $44.1 million due in the future under non-cancelable subleases.

Sales and Purchase Commitments

As of December 31, 2016, fixed sales and purchase commitments under our derivative programs amounted to $369.6 million and $143.5 million, respectively. Additionally, in connection with the ExxonMobil transaction, we have certain purchase contracts, under which we agreed to purchase between 1.69 million barrels and 2.02 million barrels of aviation fuel at future market prices. The term of those agreement are for 10 years and have a 5-year renewal option, exercisable by mutual agreement.

Agreements with Executive Officers and Key Employees

We have an agreement with our Chairman, President and Chief Executive Officer, Michael J. Kasbar, for his continued employment with the Company which provides for an annual base salary as determined by our Compensation Committee in its sole discretion (currently $900,000), termination severance benefits, and such incentives and other compensation and amounts as our Compensation Committee may determine from time to time in its sole discretion. The current term of the Kasbar agreement, as amended, expires on December 31, 2017, and automatically extends for successive one-year terms unless either party provides written notice to the other at least one year prior to the expiration of the term that such party does not want to extend the term. Pursuant to his amended agreement, Mr. Kasbar is entitled to receive cash severance payments if: (a) we terminate his employment without cause following a change of control or for any reason other than death, disability or cause; (b) he resigns for good reason (generally a reduction in his responsibilities or compensation, or a breach by us), or resigns following a change of control; or (c) either he elects or we elect not to extend the term of the agreement, as amended. The severance payments are equal to $5.0 million for a termination following a change of control and $3.0 million in the other scenarios described above, a portion of which will be payable two years after the termination of Mr. Kasbar’s employment.

All of Mr. Kasbar’s outstanding SSAR Awards, restricted stock and RSUs (collectively, “outstanding equity awards”) will immediately vest in each scenario described in (a) and (b) above following a change of control, except for awards assumed or substituted by a successor company, in which case, such awards shall continue to vest in accordance with their applicable terms. In each scenario described in (a), (b) or (c) above where there has not been a change of control, Mr. Kasbar’s outstanding equity awards will generally vest over a two year period following termination of his employment, with any remaining unvested awards vesting on the last day of such two year period. For each scenario described above, awards with multiple annual performance conditions must satisfy certain other requirements in order to have their vesting terms accelerated.

We have also entered into employment agreements or separation agreements with certain of our other executive officers and key employees. These agreements provide for minimum salary levels, and, in most cases, bonuses which are payable if specified performance goals are attained. Some executive officers and key employees are also entitled to severance benefits upon termination or non-renewal of their contracts under certain circumstances.

As of December 31, 2016, the approximate future minimum commitments under these agreements, excluding discretionary and performance bonuses, are as follows (in millions):

Year Ended December 31,		
2017	$	1.3

Termination of Employment Agreement

Effective March 16, 2015, we entered into an employment termination agreement with the former Aviation Segment President. In connection with the agreement, we recorded a charge totaling $3.8 million in March 2015, which included non-cash expenses of $0.8 million related to previously awarded stock compensation.

Deferred Compensation Plans

We maintain a 401(k) defined contribution plan which covers all U.S. employees who meet minimum requirements and elect to participate. We are currently making a match contribution of 50% for each 1% of the participants' contributions up to 6% of the participants' contributions. Annual contributions by us are made at our sole discretion, as approved by the Compensation Committee. Additionally, certain of our foreign subsidiaries have defined contribution plans, which allow for voluntary contributions by the employees. In some cases, we make employer contributions on behalf of the employees. The expenses for our contributions under these plans were not significant during each of the years presented on the consolidated statements of income and comprehensive income.

We offer a non-qualified deferred compensation ("NQDC") plan to certain eligible employees, excluding our named executive officers, whereby the participants may defer a portion of their compensation. We do not match any participant deferrals under the NQDC plan. Participants can elect from a variety of investment choices for their deferred compensation and gains and losses on these investments are credited to their respective accounts. The deferred compensation payable amount under this NQDC plan is subject to the claims of our general creditors and was $4.3 million and $3.3 million as of December 31, 2016 and December 31, 2015, respectively, which was included in other long-term liabilities in the accompanying consolidated balance sheets.

Environmental and Other Liabilities; Uninsured Risks

We provide various services to customers, including into-plane fueling at airports, fueling of vessels in-port and at-sea, and transportation, delivery and storage of fuel and fuel products. We are therefore subject to possible claims by customers, regulators and others who may suffer a loss arising from a fuel spill or other incident. In addition, we may be held liable for damage to the environment arising out of such events. Although we generally maintain liability insurance for these types of events, such insurance may be insufficient to cover certain losses which may be in excess of coverage limits or outside the scope of the coverage. If we are held liable for any damages, and the liability is not adequately covered by insurance and is of sufficient magnitude, our financial position and results of operations will be adversely affected.

Compliance with existing and future environmental laws regulating underground storage tanks that we operate may require significant capital expenditures and increased operating and maintenance costs. The remediation costs and other costs required to clean up or treat contaminated sites could be substantial. Where available, we pay tank registration fees and other taxes to state trust funds established in our operating areas, and we also maintain private insurance coverage in support of future remediation obligations. These state trust funds or other responsible third parties, including insurers, are expected to pay or reimburse us for remediation expenses in excess of a deductible. To the extent third parties do not pay for remediation as we anticipate, we will be obligated to make these payments, which could materially adversely affect our financial condition, results of operations and cash flows. Reimbursements from state trust funds will be dependent on the maintenance and continued solvency of the various funds.

Although we continuously review the adequacy of our insurance coverage, we may lack adequate coverage for various risks, including environmental claims. Furthermore, our ability to obtain and maintain adequate insurance and the cost of such insurance may be affected by significant claims and conditions in the insurance market over which we have no control. If we are uninsured or under-insured for a claim or claims of sufficient magnitude arising out of our activities, it will have a material adverse effect on our financial position, results of operations and cash flows.

Legal Matters

In connection with a theft of fuel product valued at approximately $18.0 million, we recorded an insurance receivable for the full amount of the loss, which is included in other current assets in the accompanying consolidated balance sheets. On July 31, 2014, our insurer, AGCS Marine Insurance Company ("AGCS"), filed a declaratory judgment action against us in the United States District Court for the Southern District of New York ("District Court") seeking a court ruling that the loss is not covered under our policy. In May 2016, the District Court entered an order granting summary judgment in our favor holding that the loss is covered under the AGCS policy and entered a final order and judgment in November 2016, requiring AGCS to pay us damages and interest in the amount of approximately $24.5 million (the "Judgment").

In June 2016, AGCS took an appeal from the order granting summary judgment to the United States Court of Appeals for the Second Circuit (the "Appellate Court") and we filed a protective cross-appeal, which was stayed pending the entry of the Judgment in the District Court. In December 2016, AGCS filed a notice of appeal from the Judgment in the Appellate Court. In January 2017, the Appellate Court consolidated the appeal from the Judgment with the earlier appeals from the summary judgment order. The Appellate Court has not yet set a briefing schedule or hearing for the appeals. We believe AGCS' position is without merit and we intend to continue vigorously pursuing our rights. However, due to the complexities and uncertainties inherent in litigation, we can provide no assurance that we will recover the full amount of the loss.

Tax Matters

From time to time, we are under review by various domestic and foreign tax authorities with regards to indirect tax matters and are involved in various challenges and litigation in a number of countries, including, in particular, Brazil and South Korea, where the amounts under controversy may be significant.

During the quarter ended December 31, 2016, the Korean branch (“WFSK”) of one of our subsidiaries received assessments of approximately $10.4 million (KRW 11.9 billion) and a pre-assessment notice for an additional $17.6 million (KRW 20.1 billion) from the regional tax authorities of Seoul, South Korea (“SRTO”). The assessments primarily consist of fines and penalties for allegedly failing to issue VAT invoices and report certain transactions during the period 2011-2014. These assessments do not involve failure to pay or collect VAT. We believe that these assessments are without merit and are currently appealing the actions. In addition to these assessments, in November 2016, the SRTO referred the case to the Seoul Central District Prosecutors Office (“SCDPO”) for investigation and determination as to whether the alleged invoicing and reporting violations should be subject to criminal action under Korean law, which may result in additional penalties being assessed against us. We believe any such criminal action is without merit and we intend to defend any such action to the extent pursued by the SCDPO.

We are also involved in a number of tax disputes with federal, state and municipal tax authorities in Brazil, relating primarily to VAT (ICMS) tax matters. These disputes are at various stages of the legal process, including the administrative review phase and the collection action phase, and include assessments of fixed amounts of principal and penalties, plus interest.

When we deem it appropriate and the amounts are reasonably estimable, we establish reserves for potential adjustments to our provision for the accrual of indirect taxes that may result from examinations or other actions by tax authorities. If events occur which indicate payment of these amounts is unnecessary, the reversal of the liabilities would result in the recognition of benefits in the period we determine the liabilities are no longer necessary. If our estimates of any of our federal, state, and foreign indirect tax liabilities are less than the ultimate assessment, it could result in a further charge to expense. Except with respect to the matters described above, we believe that the final outcome of any pending examinations, agreements, administrative or judicial proceedings will not have a material effect on our results of operations or cash flows.

Other Matters

On August 31, 2016, Hanjin Shipping Co., Ltd. (“Hanjin”), one of our customers in our marine segment, filed for bankruptcy protection in South Korea and on September 1, 2016, the Korean Rehabilitation Court accepted Hanjin’s application for rehabilitation. On February 2, 2017, the Korean Rehabilitation Court terminated Hanjin’s rehabilitation process. It is expected that Hanjin will declare bankruptcy on or about, February 17, 2017 and commence liquidation proceedings. During the quarter ended December 31, 2016, we wrote off approximately $5.8 million of Hanjin receivables associated with specific vessels against which enforcement of our maritime liens is unlikely to be successful. As of December 31, 2016, we had outstanding receivables of approximately $7.0 million, net of anticipated insurance recoveries. While we believe we will recover all or substantially all of the outstanding receivables, there can be no assurance that we will be able to recover all of the remaining amounts owed or fully mitigate all losses.

We are also a party to various claims, complaints and proceedings arising in the ordinary course of our business including, but not limited to, environmental claims, commercial and governmental contract claims, such as property damage, demurrage, personal injury, billing and fuel quality claims, as well as bankruptcy preference claims and tax and administrative claims. We have established loss provisions for these ordinary course claims as well as other matters in which losses are probable and can be reasonably estimated. As of December 31, 2016, we had recorded certain reserves which were not significant. For those matters where a reserve has not been established and for which we believe a loss is reasonably possible, as well as for matters where a reserve has been recorded but for which an exposure to loss in excess of the amount accrued is reasonably possible, we believe that such losses will not have a material adverse effect on our consolidated financial statements. However, any adverse resolution of one or more such claims, complaints or proceedings during a particular period could have a material adverse effect on our consolidated financial statements or disclosures for that period.

Our estimates regarding potential losses and materiality are based on our judgment and assessment of the claims utilizing currently available information. Although we will continue to reassess our reserves and estimates based on future developments, our objective assessment of the legal merits of such claims may not always be predictive of the outcome and actual results may vary from our current estimates.

9. Shareholders' Equity

Dividends

We declared aggregate cash dividends of $0.24 per share of common stock for 2016 and 2015, respectively, and $0.15 for 2014. Our Credit Facility and Term Loans have restrictions regarding the maximum amount of cash dividends allowed to be paid. The payment of the above-referenced cash dividends was in compliance with the Credit Facility and Term Loans.

Stock Repurchase Programs

Our Board of Directors, from time to time, has authorized stock repurchase programs under the terms of which we may repurchase our common stock, subject to certain restrictions contained in our Credit Facility and Term Loans. In May 2014, our Board of Directors renewed the Company's common stock repurchase program (the "Repurchase Program"), replacing the remainder of the previously authorized October 2008 share repurchase program and authorizing the purchase of up to $65.0 million in common stock. During 2014 and from January 2015 through May 2015, pursuant to the Repurchase Program, we repurchased 227,000 shares of our common stock for an aggregate value of $10.0 million and 584,000 shares of our common stock for an aggregate value of $30.0 million, respectively.

In June 2015, our Board of Directors renewed the Repurchase Program and authorized the purchase of up to $100.0 million in common stock. From July 2015 through August 2016, we repurchased 1,406,773 shares of our common stock for an aggregate value of $58.9 million pursuant to the Repurchase Program. In September 2016, our Board of Directors renewed the Repurchase Program by replacing the remainder of the existing program and authorizing the purchase of up to $100.0 million in common stock. The Repurchase Program does not require a minimum number of shares of common stock to be purchased, has no expiration date and may be suspended or discontinued at any time. From September 2016 to December 2016, we repurchased 556,000 shares of common stock for an aggregate value of $22.8 million. As of December 31, 2016, $77.2 million remains available for purchase under the Repurchase Program. The timing and amount of shares of common stock to be repurchased under the Repurchase Program will depend on market conditions, share price, securities law and other legal requirements and factors.

Share-Based Payment Plans

Plan Summary and Description

In May 2016, our shareholders approved the 2016 Omnibus Plan (the "2016 Plan"), which replaced our previously adopted 2006 Omnibus Plan, as amended and restated in 2009 (the "2006 Plan"). The 2016 Plan is administered by the Compensation Committee of the Board of Directors (the "Compensation Committee"). The purpose of the 2016 Plan is to (i) attract and retain persons eligible to participate in the 2016 Plan; (ii) motivate participants, by means of appropriate incentives, to achieve long-range goals; (iii) provide incentive compensation opportunities that are competitive with those of other similar companies; and (iv) further align participants' interests with those of our other shareholders through compensation that is based on the value of our common stock. The goal is to promote the long-term financial interest of World Fuel and its subsidiaries, including the growth in value of our equity and enhancement of long-term shareholder return. The persons eligible to receive awards under the 2016 Plan are our employees, officers, and members of the Board of Directors, or any consultant or other person who performs services for us.

The provisions of the 2016 Plan authorize the grant of stock options which can be "qualified" or "nonqualified" under the Internal Revenue Code of 1986, as amended, restricted stock, RSUs, SSAR Awards, performance shares and performance units and other share-based awards. The 2016 Plan is unlimited in duration and, in the event of its termination, the 2016 Plan will remain in effect as long as any awards granted under it remain outstanding. No awards may be granted under the 2016 Plan after May 2026. The term and vesting period of awards granted under the 2016 Plan are established on a per grant basis, but options and SSAR Awards may not remain exercisable after the seven-year anniversary of the date of grant.

Under the 2016 Plan, 2,500,000 shares of common stock are authorized for issuance plus any shares of common stock with respect to awards that were granted under the 2006 Plan but are forfeited or canceled (e.g., due to the recipient's failure to satisfy applicable service or performance conditions) after May 2016. As of December 31, 2016, approximately 3,108,258 shares of common stock were subject to outstanding awards under the 2006 Plan (assuming maximum achievement of performance goals for restricted stock and target achievement of performance goals for RSUs, where applicable).

The following table summarizes the outstanding awards issued pursuant to the 2016 Plan described above as of December 31, 2016 and the remaining shares of common stock available for future issuance (in millions):

Plan name	Restricted Stock	RSUs	SSAR Awards	Remaining shares of common stock available for future issuance
2016 Plan (1)	—	—	—	4.3
2006 Plan (amended and restated) (2)	1.2	1.2	0.3	—

(1) As of December 31, 2016, unvested RSUs will vest between March 2017 and August 2021.

(2) As of December 31, 2016, unvested restricted stock will vest between February 2017 and March 2021, unvested RSUs will vest between February 2017 and August 2021 and the outstanding SSAR Awards will expire between March 2017 and March 2021. RSUs granted to non-employee directors under the 2006 Plan prior to 2011 remain outstanding until the date the non-employee director ceases, for any reason, to be a member of the Board of Directors.

Restricted Stock Awards

The following table summarizes the status of our unvested restricted stock outstanding and related transactions for each of the following years (in millions, except weighted average grant-date fair value price and weighted average remaining vesting term data):

	Unvested Restricted Stock	Weighted Average Grant date Fair Value Price	Aggregate Intrinsic Value	Weighted Average Remaining Vesting Term (in Years)
As of December 31, 2013	1.4	$ 40.07	$ 59.3	2.7
Granted	0.3	44.18		
Vested	(0.2)	38.00		
Forfeited	—	39.58		
As of December 31, 2014	1.5	41.18	70.2	2.1
Granted	0.2	49.95		
Vested	(0.2)	39.63		
Forfeited	(0.1)	41.84		
As of December 31, 2015	1.4	42.69	54.9	1.4
Granted	0.1	42.92		
Vested	(0.2)	40.40		
Forfeited	(0.1)	43.30		
As of December 31, 2016	1.2	$ 43.10	$ 55.7	0.8

The aggregate value of restricted stock which vested during 2016, 2015 and 2014 was $9.6 million, $9.9 million and $7.1 million, respectively, based on the average high and low market price of our common stock at the vesting date.

RSU Awards

The following table summarizes the status of our RSUs and related transactions for each of the following years (in millions, except for weighted average grant-date fair value data and weighted average remaining contractual life):

				RSUs Outstanding
	RSUs	Weighted Average Grant date Fair Value Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life (in Years)
As of December 31, 2013	0.7	$ 35.61	$ 31.8	1.3
Granted	0.3	44.34		
Issued	(0.2)	36.67		
Forfeited	—	40.25		
As of December 31, 2014	0.8	38.55	36.9	1.5
Granted	0.2	51.00		
Issued	(0.3)	38.80		
Forfeited	—	42.65		
As of December 31, 2015	0.7	43.10	28.0	1.7
Granted	0.7	44.23		
Vested	(0.1)	42.78		
Forfeited	(0.1)	44.78		
As of December 31, 2016	1.2	$ 43.28	$ 55.7	1.6

The aggregate intrinsic value of RSUs issued during 2016, 2015 and 2014 was $6.2 million, $15.3 million and $10.1 million, respectively.

SSAR Awards

The following table summarizes the status of our outstanding and exercisable SSAR Awards and related transactions for each of the following years (in millions, except weighted average exercise price and weighted average remaining contractual life data):

	SSAR Awards Outstanding				SSAR Awards Exercisable			
	SSAR Awards	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life (in Years)	SSAR Awards	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life (in Years)
As of December 31, 2013	0.2	$ 37.69	$ 1.5	3.6	—	$ 23.25	$ 1.1	1.0
Exercised	—	22.26						
Forfeited	—	40.91						
As of December 31, 2014	0.2	40.06	1.5	3.0	—	35.81	0.6	2.2
Granted	—	57.48						
Exercised	—	25.08						
As of December 31, 2015	0.2	42.91	—	2.5	—	42.06	—	2.2
Granted	0.1	48.58						
Exercised	—	40.91						
As of December 31, 2016	0.3	$ 44.97	$ 0.3	2.4	0.2	$ 42.15	$ 0.7	1.3

The aggregate intrinsic value of SSAR Awards exercised during 2016, 2015 and 2014 was $0.1 million, $0.5 million and $0.8 million, respectively, based on the difference between the average of the high and low market price of our common stock at the exercise date and the SSAR Award exercise price.

As discussed in Note 1, we currently use the Black Scholes option pricing model to estimate the fair value of SSAR Awards granted to employees. The weighted average fair value of the SSAR Awards for 2016 was $12.32 and the assumptions used to determine such fair value were as follows: expected term of 4.5 years, volatility of 29.8%, dividend yields of 0.5% and risk-free interest rates of 1.2%. The weighted average fair value of the SSAR Awards for 2015 was $14.78 and the assumptions used to determine such fair value were as follows: expected term of 4.3 years, volatility of 30.2%, dividend yields of 0.3% and risk-free interest rates of 1.2%. There were no SSAR Awards issued in 2014.

Unrecognized Compensation Cost

As of December 31, 2016, there was $42.6 million of total unrecognized compensation cost related to unvested share-based payment awards, which is included as capital in excess of par value in the accompanying consolidated balance sheets. The unrecognized compensation cost as of December 31, 2016 is expected to be recognized as compensation expense over a weighted average period of 1.3 years as follows (in millions):

Year Ended December 31,		
2017	$	20.0
2018		14.8
2019		5.7
2020		1.8
2021		0.4
	$	42.6

Other Comprehensive Loss and Accumulated Other Comprehensive Loss

Our other comprehensive loss, consisting of foreign currency translation adjustments related to our subsidiaries that have a functional currency other than the U.S. dollar and cash flow hedges, was as follows (in millions):

		Foreign Currency Translation Adjustments		Cash Flow Hedges		Accumulated Other Comprehensive Loss
Balance as of December 31, 2014	$	(59.2)	$	—	$	(59.2)
Other comprehensive loss		(45.4)		(0.8)		(46.2)
Less: Net other comprehensive income attributable to noncontrolling interest		(4.0)		—		(4.0)
Balance as of December 31, 2015		(108.7)		(0.8)		(109.5)
Other comprehensive loss		(40.4)		(6.6)		(47.0)
Less: Net other comprehensive income attributable to noncontrolling interest		1.6		—		1.6
Balance as of December 31, 2016	$	(147.5)	$	(7.4)	$	(154.8)

The foreign currency translation adjustment losses for 2016 were primarily due to the strengthening of the U.S. dollar as compared to the British Pound. The foreign currency translation adjustment losses for 2015 were primarily due to the strengthening of the U.S. dollar as compared to the Brazilian Real and the British Pound.

10. Income Taxes

U.S. and foreign income before income taxes consist of the following (in millions):

	2016	2015	2014
United States	$ (85.4)	$ 3.5	$ 59.7
Foreign	227.5	214.2	215.1
	$ 142.1	$ 217.7	$ 274.8

The income tax provision (benefit) related to income before income taxes consists of the following components (in millions):

	2016	2015	2014
Current:			
U.S. federal statutory tax	$ 7.5	$ (9.9)	$ 13.9
State	0.8	0.7	2.5
Foreign	30.4	27.0	23.5
	38.7	17.8	39.9
Deferred:			
U.S. federal statutory tax	(29.3)	4.6	10.7
State	(4.2)	3.0	2.7
Foreign	(2.5)	(2.3)	(2.6)
	(36.0)	5.3	10.8
Non-current tax expense (income)	13.0	24.1	2.9
	$ 15.7	$ 47.2	$ 53.6

Non-current tax expense (income) is primarily related to income tax associated with the reserve for uncertain tax positions.

A reconciliation of the U.S. federal statutory income tax rate to our effective income tax rate is as follows:

	2016	2015	2014
U.S. federal statutory tax rate	35.0 %	35.0 %	35.0 %
Foreign earnings, net of foreign taxes	(42.4)	(28.3)	(18.2)
State income taxes, net of U.S. federal income tax benefit	(1.5)	1.1	1.3
U.S. tax on deemed dividends	1.3	1.7	1.2
Sale of subsidiary	3.8	—	—
Uncertain tax positions	9.2	10.3	1.1
Other permanent differences	5.6	1.9	(0.9)
Effective income tax rate	11.0 %	21.7 %	19.5 %

For 2016, our effective income tax rate was 11.0%, for an income tax provision of $15.7 million, as compared to an effective income tax rate of 21.7% and an income tax provision of $47.2 million for 2015. The lower effective income tax rate for 2016, as compared to 2015, resulted principally from differences in the results of our subsidiaries in tax jurisdictions with different income tax rates.

For 2015, our effective income tax rate was 21.7%, for an income tax provision of $47.2 million, as compared to an effective income tax rate of 19.5% and an income tax provision of $53.6 million for 2014. The higher effective income tax rate for 2015 resulted primarily from differences in the results of our subsidiaries in tax jurisdictions with different income tax rates.

For 2014, our effective income tax rate was 19.5%, for an income tax provision of $53.6 million, as compared to an effective income tax rate of 18.5% and an income tax provision of $46.0 million for 2013. The effective income tax rate for 2014 remained relatively flat compared to 2013. However, there were underlying differences in the actual results of our subsidiaries in tax jurisdictions with different income tax rates as compared to 2013.

U.S. income taxes have not been provided on undistributed earnings of foreign subsidiaries. As of December 31, 2016 and 2015, we had $1.6 billion and $1.4 billion, respectively, of earnings attributable to foreign subsidiaries. Our intention is to reinvest these earnings permanently in active non-U.S. business operations. Therefore, no income tax liability has been accrued for these earnings. Because of the availability of U.S. foreign tax credits, it is not practicable to determine the amount of U.S. income tax payable if such earnings are not reinvested indefinitely.

The temporary differences which comprise our net deferred tax liabilities are as follows (in millions):

	As of December 31,	
	2016	**2015**
Gross Deferred Tax Assets:		
Bad debt reserve	$ 4.5	$ 5.0
Net operating loss	38.6	13.0
Accrued and other share-based compensation	26.2	20.6
Accrued expenses	5.0	—
U.S. foreign income tax credits	7.8	5.3
Other income tax credits	0.2	0.7
Customer deposits	6.3	5.7
Installment sale	—	6.7
Cash flow hedges	4.6	0.8
Unrealized foreign exchange	—	2.7
Total gross deferred tax assets	93.2	60.5
Less: Valuation allowance	7.1	2.9
Gross deferred tax assets, net of valuation allowance	86.1	57.6
Deferred Tax Liabilities:		
Depreciation	(8.5)	(20.8)
Goodwill and intangible assets	(56.1)	(56.2)
Unrealized foreign exchange	(8.0)	—
Prepaid expenses, deductible for tax purposes	(5.8)	(4.4)
Accrued expenses	—	(2.5)
Unrealized derivatives	(2.4)	(5.1)
Other	(0.7)	—
Total gross deferred tax liabilities	(81.5)	(89.0)
Net deferred tax liability	$ —	$ (31.4)
Net deferred tax asset	4.6	—
Reported on the consolidated balance sheets as:		
Identifiable intangible and other non-current assets for deferred tax assets, non-current	$ 20.6	$ 5.2
Non-current income tax liabilities, net for deferred tax liabilities, non-current	$ 16.0	$ 36.6

As of December 31, 2016 and 2015, we had net operating losses ("NOLs") of approximately $106.2 million and $42.2 million, respectively. The NOLs as of December 31, 2016 originated in various countries including the United States, Brazil, Puerto Rico, France, and The Netherlands. We have recorded a deferred tax asset of $38.6 million reflecting the benefit of the NOL carryforward as of December 31, 2016. This deferred tax asset expires as follows (in millions):

Expiration Date	Deferred Tax Asset	
December 31, 2021	$	0.1
December 31, 2022		0.1
December 31, 2023		0.3
December 31, 2024		0.6
December 31, 2025		0.9
December 31, 2036		31.8
Indefinite		4.8
Total	$	38.6

We assessed the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, as of December 31, 2016, a valuation allowance of $7.1 million has been recorded to recognize only the portion of the deferred tax asset that is more likely than not to be realized. The amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward period change or if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as growth projections.

We operated under a special income tax concession in Singapore which began January 1, 2008. Our current five year special income tax concession was effective on January 1, 2013. The special income tax concession is conditional upon our meeting certain employment and investment thresholds which, if not met in accordance with our agreement, may eliminate the benefit beginning with the first year in which the conditions are not satisfied. The income tax concession reduces the income tax rate on qualified sales and derivative gains and losses. The impact of this income tax concession decreased (increased) foreign income taxes by $2.7 million, $(7.7) million, and $6.3 million for 2016, 2015 and 2014 respectively. The impact of the income tax concession on basic earnings per common share was $0.04, $(0.11), and $0.09 for 2016, 2015 and 2014 respectively. On a diluted earnings per common share basis, the impact was $0.04, $(0.11), and $0.09 for 2016, 2015 and 2014 respectively.

Income Tax Contingencies

We recorded an increase of $11.2 million of liabilities related to unrecognized income tax benefits ("Unrecognized Tax Liabilities") and a decrease of $0.1 million of assets related to unrecognized income tax benefits ("Unrecognized Tax Assets") during 2016. In addition, during 2016, we recorded a decrease of $0.1 million to our Unrecognized Tax Liabilities related to a foreign currency translation gain, which is included in other income (expense), net, in the accompanying consolidated statements of income and comprehensive income. As of December 31, 2016, our Unrecognized Tax Liabilities, including penalties and interest, were $68.6 million and our Unrecognized Tax Assets were $1.6 million.

We recorded an increase of $22.4 million of liabilities related to unrecognized income tax benefits ("Unrecognized Tax Liabilities") and a decrease of $0.4 million of assets related to unrecognized income tax benefits ("Unrecognized Tax Assets") during 2015. In addition, during 2015, we recorded a decrease of $0.7 million to our Unrecognized Tax Liabilities related to a foreign currency translation gain, which is included in other income (expense), net, in the accompanying consolidated statements of income and comprehensive income. As of December 31, 2015, our Unrecognized Tax Liabilities, including penalties and interest, were $56.1 million and our Unrecognized Tax Assets were $1.9 million.

The following is a tabular reconciliation of the total amounts of unrecognized income tax benefits for the year (in millions):

	2016	2015	2014
Unrecognized Tax Liabilities – opening balance	$ 46.7	$ 24.3	$ 26.5
Gross increases – tax positions in prior period	18.0	9.2	—
Gross decreases – tax positions in prior period	(15.4)	(4.8)	(2.8)
Gross increases – tax positions in current period	11.3	20.9	6.6
Gross decreases – tax positions in current period	—	—	—
Settlements	—	—	(3.6)
Lapse of statute of limitations	(2.8)	(2.9)	(2.4)
Unrecognized Tax Liabilities – ending balance	$ 57.8	$ 46.7	$ 24.3

If our uncertain tax positions as of December 31, 2016 are settled by the taxing authorities in our favor, our income tax expense would be reduced by $56.6 million (exclusive of interest and penalties) in the period the matter is considered settled in accordance with Accounting Standards Codification 740. This would have the impact of reducing our 2015 effective income tax rate by 39.8%. As of December 31, 2016, it does not appear that the total amount of our unrecognized income tax benefits will significantly increase or decrease within the next twelve months.

We record accrued interest and penalties related to unrecognized income tax benefits as income tax expense. Related to the uncertain income tax benefits noted above, for interest we recorded expense of $(0.7) million during 2016 and income of $0.9 million and $0.6 million during 2015 and 2014, respectively. For penalties, we recorded income of $2.3 million, $0.3 million and $0.3 million during 2016, 2015 and 2014, respectively. As of December 31, 2016 and 2015, we had recognized liabilities of $4.3 million and $5.2 million for interest and $6.5 million and $4.2 million for penalties, respectively.

During the quarter ended December 31, 2016, we reached an agreement with the IRS on the outstanding audit issues for 2011 and 2012. The matter had previously been provided for within our reserve estimates.

In addition, during the quarter ended December 31, 2016, the Korean Branch of one of our subsidiaries received an income tax pre-assessment notice for $8.0 million (KRW 9.2 billion) for the years 2011 through 2014 from the South Korea tax authorities. We disagree with the Korean tax authorities' assessment and are appealing.

In many cases, our uncertain tax positions are related to tax years that remain subject to examination by the relevant taxing authorities. The following table summarizes these open tax years by jurisdiction with major uncertain tax positions:

	Open Tax Year	
Jurisdiction	Examination in progress	Examination not yet initiated
United States	2011 - 2012	2013 - 2016
Korea	2011 - 2014	2015 - 2016
Singapore	None	2011 - 2016
United Kingdom	2014	2012 - 2016
Brazil	None	2011 - 2016
Chile	None	2014 - 2016
Denmark	None	2012 - 2016

11. Fair Value Measurements

The carrying amounts of cash and cash equivalents, accounts receivable, net, accounts payable and accrued expenses and other current liabilities approximate fair value based on the short-term maturities of these instruments. The carrying values of our debt and notes receivables approximate fair value since these instruments bear interest either at variable rates or fixed rates which are not significantly different than market rates. Based on the fair value hierarchy, our debt of $1.2 billion and $772.2 million as of December 31, 2016 and December 31, 2015, respectively, and our notes receivable of $16.9 million and $12.7 million as of December 31, 2016 and December 31, 2015, respectively are categorized in Level 3.

Recurring Fair Value Measurements.

The following table presents information about our gross assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2016 and 2015 (in millions):

	Fair Value Measurements as of December 31, 2016			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Assets:				
Commodities contracts	$ 273.6	$ 55.3	$ 2.3	$ 331.2
Foreign currency contracts	—	16.0	—	16.0
Cash surrender value of life insurance	—	4.0	—	4.0
Total assets at fair value	$ 273.6	$ 75.3	$ 2.3	$ 351.2
Liabilities:				
Commodities contracts	$ 236.6	$ 88.8	$ 0.7	$ 326.1
Foreign currency contracts	—	6.4	—	6.4
Total liabilities at fair value	$ 236.6	$ 95.2	$ 0.7	$ 332.5

	Fair Value Measurements as of December 31, 2015			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Assets:				
Commodities contracts	$ 262.0	$ 252.0	$ 3.3	$ 517.3
Foreign currency contracts	—	12.4	—	12.4
Cash surrender value of life insurance	—	2.4	—	2.4
Total assets at fair value	$ 262.0	$ 266.8	$ 3.3	$ 532.1
Liabilities:				
Commodities contracts	$ 339.8	$ 123.4	$ 0.2	$ 463.4
Foreign currency contracts	—	5.0	—	5.0
Total liabilities at fair value	$ 339.8	$ 128.4	$ 0.2	$ 468.5

Our Level 1 items consist of exchange traded futures. Our Level 2 items consist of commodity swaps, commodity collars, physical forward purchases and sales commitments, and foreign currency forward contracts. Our level 3 items consist of physical forward purchase or sales commitments. The cash surrender value of life insurance is in connection with the NQDC plan and was included in identifiable intangible and other non-current assets in the accompanying consolidated balance sheets.

For our derivative contracts, we may enter into master netting, collateral and offset agreements with counterparties. These agreements provide us the ability to offset a counterparty's rights and obligations, request additional collateral when necessary or liquidate the collateral in the event of counterparty default. We net fair value of cash collateral paid or received against fair value amounts recognized for net derivative positions executed with the same counterparty under the same master netting or offset agreement. The following tables summarize those commodity derivative balances subject to the right of setoff as presented on our consolidated balance sheet. We have elected to offset the recognized fair value amounts for multiple derivative instruments executed with the same counterparty in our financial statements when a legal right offset exists.

	Fair Value as of December 31, 2016					
	Gross Amounts Recognized	Gross Amounts Offset	Net Amounts Presented	Cash Collateral	Gross Amounts Without Right of Offset	Net Amounts
Assets:						
Commodities contracts	$ 331.2	$ 249.7	$ 81.5	$ 27.1	$ —	$ 54.5
Foreign currency contracts	16.0	5.1	10.9	—	—	10.9
Total assets at fair value	$ 347.2	$ 254.8	$ 92.4	$ 27.1	$ —	$ 65.3
Liabilities:						
Commodities contracts	$ 326.1	$ 249.7	$ 76.5	$ 2.0	$ —	$ 74.5
Foreign currency contracts	6.4	5.1	1.2	—	—	1.2
Total liabilities at fair value	$ 332.5	$ 254.8	$ 77.7	$ 2.0	$ —	$ 75.7

	Fair Value as of December 31, 2015					
	Gross Amounts Recognized	Gross Amounts Offset	Net Amounts Presented	Cash Collateral	Gross Amounts Without Right of Offset	Net Amounts
Assets:						
Commodities contracts	$ 517.3	$ 257.2	$ 260.1	$ 28.4	$ —	$ 231.7
Foreign currency contracts	12.4	4.1	8.2	—	—	8.2
Total assets at fair value	$ 529.6	$ 261.3	$ 268.4	$ 28.4	$ —	$ 240.0
Liabilities:						
Commodities contracts	$ 463.4	$ 257.2	$ 206.3	$ 140.8	$ —	$ 65.5
Foreign currency contracts	5.0	4.1	0.9	—	—	0.9
Total liabilities at fair value	$ 468.5	$ 261.3	$ 207.2	$ 140.8	$ —	$ 66.4

At December 31, 2016 and December 31, 2015, we did not present any amounts gross on our consolidated balance sheet where we had the right of setoff.

Level 3 Information.

The following table presents a reconciliation of beginning and ending balances of assets and liabilities that are measured at fair value on a recurring basis that utilized significant Level 3 inputs for the periods presented (in millions):

	2016	2015
Fair value at beginning of the period	$ 3.0	$ 2.8
Included in earnings	(1.3)	4.2
Settlements	—	4.8
Transfers in	—	0.9
Transfers out	0.1	—
Fair value at end of period	$ 1.6	$ 3.0
Gains for the period included in earnings attributable to the change in unrealized gains relating to derivatives still held at the reporting date	$ 1.6	$ 2.6

The nature of inputs that are considered Level 3 are modeled inputs. Contracts are categorized in Level 3 due to the significance of the unobservable model inputs to their respective fair values. The unobservable model inputs, such as basis differentials, are based on the difference between the historical prices of our prior transactions and the underlying observable data as well as certain risk related to non-performance. The effect on our income before income taxes of a 10% change in the model input for non-performance risk would not be significant. There were no transfers between Level 1 and Level 2 during the periods presented. Transfers between Level 2 and Level 3 were due to the increased significance of basis adjustments which are Level 3 measurements.

12. Business Segments, Geographic Information, and Major Customers

Business Segments

Based on the nature of operations and quantitative thresholds pursuant to the accounting guidance on segment reporting, we have three reportable operating business segments: aviation, marine and land. Corporate expenses are allocated to the segments based on usage, where possible, or on other factors according to the nature of the activity. Please refer to Note 1 for the dates that the results of operations and related assets and liabilities of our acquisitions have been included in our operating segments. The accounting policies of the reportable operating segments are the same as those described in the Summary of Significant Accounting Policies (see Note 1).

Information concerning our revenue, gross profit, income from operations, depreciation and amortization and capital expenditures by segment is as follows (in millions):

	For the Year ended December 31,		
	2016	2015	2014
Revenue:			
Aviation segment	$ 10,914.4	$ 11,739.8	$ 17,268.8
Marine segment	7,182.5	9,367.2	13,843.3
Land segment	8,918.8	9,274.3	12,279.6
	$ 27,015.8	$ 30,381.4	$ 43,391.8
Gross profit:			
Aviation segment	$ 401.0	$ 361.9	$ 323.4
Marine segment	149.5	189.6	207.8
Land segment	348.5	309.5	287.9
	$ 899.0	$ 861.0	$ 819.1
Income from operations:			
Aviation segment	$ 160.5	$ 132.2	$ 144.1
Marine segment	30.2	73.0	92.2
Land segment	70.8	101.4	93.9
	261.5	306.5	330.2
Corporate overhead - unallocated	(72.7)	(60.9)	(53.5)
	$ 188.9	$ 245.7	$ 276.7
Depreciation and amortization:			
Aviation segment, includes allocation from corporate	$ 24.2	$ 22.6	$ 15.4
Marine segment, includes allocation from corporate	6.6	6.4	5.6
Land segment, includes allocation from corporate	47.1	32.9	32.5
Corporate	4.4	3.7	3.7
	$ 82.3	$ 65.5	$ 57.3
Capital expenditures:			
Aviation segment	$ 4.9	$ 13.4	$ 9.0
Marine segment	6.1	8.0	13.9
Land segment	12.3	16.4	16.0
Corporate	14.5	10.6	12.9
	$ 37.7	$ 48.4	$ 51.8

Information concerning our accounts receivable, net, goodwill, identifiable intangible assets, net and total assets by segment is as follows (in millions):

	As of December 31,	
	2016	2015
Accounts receivable, net:		
Aviation segment, net of allowance for bad debt of $6.6 and $6.1 as of December 31, 2016 and December 31, 2015, respectively	$ 776.0	$ 571.6
Marine segment, net of allowance for bad debt of $10.2 and $10.7 as of December 31, 2016 and December 31, 2015, respectively	830.5	611.2
Land segment, net of allowance for bad debt of $8.2 and $8.2 as of December 31, 2016 and December 31, 2015, respectively	737.5	629.8
	$ 2,344.0	$ 1,812.6
Goodwill:		
Aviation segment	$ 266.8	$ 173.7
Marine segment	72.3	71.4
Land segment	496.7	430.7
	$ 835.8	$ 675.8
Identifiable intangible assets, net:		
Aviation segment	$ 72.1	$ 64.7
Marine segment	5.0	6.1
Land segment	205.2	140.2
	$ 282.3	$ 210.9
Total assets:		
Aviation segment	$ 2,050.6	$ 1,546.9
Marine segment	1,287.7	1,149.5
Land segment	1,928.5	1,651.5
Corporate	145.8	177.3
	$ 5,412.6	$ 4,525.3

Geographic Information

Information concerning our revenue, income from operations, non-current assets and total assets, as segregated between the Americas, EMEA (Europe, Middle East and Africa) and the Asia/Pacific regions, is presented as follows, based on the country of incorporation of the relevant subsidiary (in millions):

	For the Year ended December 31,		
	2016	2015	2014
Revenue:			
United States	$ 14,368.8	$ 15,496.3	$ 21,519.6
EMEA [(1)]	6,018.6	6,382.2	8,613.1
Asia/Pacific [(2)]	4,271.1	5,863.4	9,844.7
Americas, excluding United States	2,357.2	2,639.5	3,414.4
Total	$ 27,015.8	$ 30,381.4	$ 43,391.8
Income from operations:			
United States	$ (26.1)	$ 19.2	$ 51.8
EMEA	155.3	153.8	123.7
Asia/Pacific	38.3	54.4	76.2
Americas, excluding United States	21.3	18.2	24.9
Total	$ 188.9	$ 245.7	$ 276.7

	As of December 31,	
	2016	2015
Non-current assets:		
United States	$ 799.2	$ 639.9
EMEA	587.4	604.6
Asia/Pacific	17.2	5.3
Americas, excluding United States	172.4	29.5
Total	$ 1,576.1	$ 1,279.3
Total assets:		
United States	$ 2,462.0	$ 1,890.5
EMEA	1,805.6	1,719.5
Asia/Pacific	661.2	614.9
Americas, excluding United States	483.9	300.2
Total	$ 5,412.6	$ 4,525.3

(1) Includes revenue related to the U.K. of $4.1 billion, $4.7 billion and $6.2 billion for 2016, 2015 and 2014, respectively.

(2) Includes revenue related to Singapore of $4.2 billion, $5.8 billion and $9.7 billion for 2016, 2015 and 2014, respectively.

Major Customers

During each of the years presented on the consolidated statements of income and comprehensive income, none of our customers accounted for more than 10% of total consolidated revenue.

13. Summary Quarterly Information (Unaudited)

The following is a summary of the unaudited quarterly results for 2016 and 2015 (in millions, except earnings per share data):

	March 31, 2016	June 30, 2016	September 30, 2016 (1)	December 31, 2016 (1)(2)
Revenue	$ 5,190.8	$ 6,633.0	$ 7,399.8	$ 7,792.1
Gross profit	$ 221.5	$ 218.5	$ 236.7	$ 222.3
Net income including noncontrolling interest	$ 51.6	$ 29.8	$ 43.0	$ 2.1
Net income attributable to World Fuel	$ 51.8	$ 30.0	$ 42.7	$ 2.2
Basic earnings per common share (5)	$ 0.74	$ 0.43	$ 0.62	$ 0.03
Diluted earnings per common share (5)	$ 0.74	$ 0.43	$ 0.61	$ 0.03

	March 31, 2015 (3)	June 30, 2015 (3)	September 30, 2015 (3)(4)	December 31, 2015 (3)(4)
Revenue	$ 7,340.7	$ 8,496.4	$ 7,810.7	$ 6,733.6
Gross profit	$ 213.6	$ 190.4	$ 226.7	$ 230.2
Net income including noncontrolling interest	$ 49.3	$ 29.0	$ 42.7	$ 49.6
Net income attributable to World Fuel	$ 50.3	$ 30.5	$ 43.7	$ 49.9
Basic earnings per common share (5)	$ 0.71	$ 0.43	$ 0.62	$ 0.72
Diluted earnings per common share	$ 0.70	$ 0.43	$ 0.62	$ 0.71

(1) Includes the PAPCO and APP operations since July 1, 2016 as a result of the two acquisitions.

(2) Includes the operating results of certain affiliates from ExxonMobil in Canada and France since November 1, 2016 and additional affiliates from ExxonMobil in the U.K. and France since December 1, 2016 as a result of the acquisition.

(3) Includes the after-tax termination of employment agreement of $2.3 million, or $0.03 per basic and diluted share in the first quarter of 2015.

(4) Includes the Pester Marketing Company operations since September 1, 2015 as a result of the acquisition.

(5) Basic and diluted earnings per share are computed independently for each quarter and the full year based upon respective weighted average shares outstanding. Therefore, the sum of the quarterly basic and diluted earnings per share amounts may not equal the annual basic and diluted earnings per share amounts reported.

14. Correction of Previously Issued Financial Information

During the second quarter of 2016, we identified a correction to our provision for income taxes for certain prior periods, due to the accounting for the tax effects of foreign currency translation changes on intercompany loans that are considered to be of a long-term investment nature. The Company determined that it had incorrectly applied the accounting guidance in ASC 740, Income Taxes and recorded a deferred tax asset related to foreign currency translation losses in the provision for income taxes, resulting in the Company reporting a lower provision for income taxes in the periods that were impacted.

In accordance with Staff Accounting Bulletin (“SAB”) No. 99, *Materiality,* and SAB No. 108, *Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements*, management evaluated the materiality of the error from qualitative and quantitative perspectives, and concluded the error was not material to its previously issued annual and interim financial statements. The cumulative amounts of the total corrections were approximately $20.0 million, of which approximately $12.5 million was attributable to the year ended December 31, 2015. The cumulative amount of the prior period adjustments would have been material to our Statement of Income and Comprehensive Income for the quarter ended June 30, 2016, had we made the correction in that period. Accordingly, we have revised our previously issued financial statements prospectively to correct these errors.

The corrections associated with the provision for income taxes line items as well as other immaterial adjustments are reflected in this 10-K Report for all periods presented and those corrections will be reflected in our future fillings.

The following table presents the effect of the correction on the previously reported consolidated balance sheet as of December 31, 2015 and the statements of income and comprehensive income for the years ended 2015 and 2014. The corrections did not have an impact on net cash provided by (used in) operating activities, investing activities or financing activities as presented in the cash flow statement for the years ended 2015 and 2014.

Consolidated Balance Sheets
(Unaudited - In millions, except per share data)

	As of December 31, 2015		
	As Reported	**Adjustment**	**Revised**
Assets:			
Current assets:			
Cash and cash equivalents	$ 582.5	—	$ 582.5
Accounts receivable, net	1,812.6	—	1,812.6
Inventories	359.1	—	359.1
Prepaid expenses	57.9	—	57.9
Short-term derivative assets, net	227.2	(6.8)	220.4
Other current assets	209.8	(1.8)	208.0
Current assets held for sale	5.5	—	5.5
Total current assets	3,254.6	(8.6)	3,246.0
Property and equipment, net	225.6	—	225.6
Goodwill	675.8	—	675.8
Identifiable intangible and other non-current assets	356.9	(15.5)	341.4
Non-current assets held for sale	36.5	—	36.5
Total assets	$ 4,549.4	(24.1)	$ 4,525.3
Liabilities:			
Current liabilities:			
Short-term debt	$ 25.5	—	$ 25.5
Accounts payable	1,349.6	—	1,349.6
Customer deposits	118.3	—	118.3
Accrued expenses and other current liabilities	263.8	(8.6)	255.2
Current liabilities held for sale	5.6	—	5.6
Total current liabilities	1,762.8	(8.6)	1,754.2
Long-term debt	746.7	—	746.7
Non-current income tax liabilities, net	87.7	—	87.7
Other long-term liabilities	25.8	—	25.8
Non-current liabilities held for sale	5.0	—	5.0
Total liabilities	$ 2,628.0	(8.6)	$ 2,619.4
Commitments and contingencies			
Equity:			
World Fuel shareholders' equity:			
Preferred stock, $1.00 par value; 0.1 shares authorized, none issued	—	—	—
Common stock, $0.01 par value; 100.0 shares authorized, 70.8 and 72.1 issued and outstanding as of December 31, 2015 and December 31, 2014, respectively	0.7	—	0.7
Capital in excess of par value	435.3	—	435.3
Retained earnings	1,588.6	(19.2)	1,569.4
Accumulated other comprehensive loss	(113.2)	3.7	(109.5)
Total World Fuel shareholders' equity	1,911.4	(15.5)	1,895.9
Noncontrolling interest equity	10.0	—	10.0
Total equity	1,921.4	(15.5)	1,905.9
Total liabilities and equity	$ 4,549.4	(24.1)	$ 4,525.3

Consolidated Statements of Income and Comprehensive Income
(Unaudited - In millions, except per share data)

	For the Year ended December 31, 2015			For the Year ended December 31, 2014		
	As Reported	Adjustment	Revised	As Reported	Adjustment	Revised
Revenue	$ 30,379.7	1.7	$ 30,381.4	$ 43,386.4	5.4	$ 43,391.8
Cost of revenue	29,519.2	1.2	29,520.4	42,572.8	(0.1)	42,572.7
Gross profit	860.5	0.5	861.0	813.6	5.5	819.1
Operating expenses:						
Compensation and employee benefits	365.8	—	365.8	319.8	—	319.8
Provision for bad debt	7.5	—	7.5	3.8	—	3.8
General and administrative	240.0	2.1	242.1	220.9	(2.1)	218.8
	613.3	2.0	615.3	544.5	(2.1)	542.4
Income from operations	247.2	(1.5)	245.7	269.1	7.6	276.7
Non-operating expenses, net:						
Interest expense and other financing costs, net	(29.9)	—	(29.9)	(25.2)	—	(25.2)
Other income, net	2.0	—	2.0	25.6	(2.3)	23.3
	(27.9)	—	(27.9)	0.4	(2.3)	(1.9)
Income before income taxes	219.3	(1.6)	217.7	269.5	5.3	274.8
Provision for income taxes	36.3	10.9	47.2	51.1	2.5	53.6
Net income including noncontrolling interest	183.0	(12.5)	170.5	218.4	2.7	221.1
Net (loss) attributable to noncontrolling interest	(3.9)	—	(3.9)	(3.3)	—	(3.3)
Net income attributable to World Fuel	$ 186.9	(12.4)	$ 174.5	$ 221.7	2.8	$ 224.5
Basic earnings per common share	$ 2.66	(0.17)	$ 2.49	$ 3.13	0.04	$ 3.17
Basic weighted average common shares	70.2	—	70.2	70.8	—	70.8
Diluted earnings per common share	$ 2.64	(0.17)	$ 2.47	$ 3.11	0.04	$ 3.15
Diluted weighted average common shares	70.7	—	70.7	71.3	—	71.3
Comprehensive income:						
Net income including noncontrolling interest	$ 183.0	(12.5)	$ 170.5	$ 218.4	2.7	$ 221.1
Other comprehensive income (loss):						
Foreign currency translation adjustments	(49.6)	4.2	(45.4)	(30.9)	0.1	(30.8)
Cash Flow hedge, net	0.6	(1.4)	(0.8)	—	—	—
	(49.0)	2.8	(46.2)	(30.9)	0.1	(30.8)
Comprehensive income including noncontrolling interest	134.0	(9.7)	124.3	187.5	2.9	190.4
Comprehensive income (loss) attributable to noncontrolling interest	0.1	(8.0)	(2.2)	(3.3)	—	(1.1)
Comprehensive income attributable to World Fuel	$ 133.9	(1.6)	$ 126.4	$ 190.8	2.9	$ 191.4

Item 16. Form 10-K Summary

We have elected not to include the voluntary, summary information required by Form 10-K under this Item 16.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, on February 17, 2017.

WORLD FUEL SERVICES CORPORATION

/s/ MICHAEL J. KASBAR

Michael J. Kasbar
Chairman, President and Chief Executive Officer

/s/ IRA M. BIRNS

Ira M. Birns
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 17, 2017.

Signature	Title
/s/ MICHAEL J. KASBAR	Chairman, President and Chief Executive Officer
Michael J. Kasbar	(Principal Executive Officer)
/s/ IRA M. BIRNS	Executive Vice President and Chief Financial Officer
Ira M. Birns	(Principal Financial Officer)
/s/ CARLOS M. VELAZQUEZ	Senior Vice President and Chief Accounting Officer
Carlos M. Velazquez	(Principal Accounting Officer)
/s/ KEN BAKSHI	Director
Ken Bakshi	
/s/ JORGE L. BENITEZ	Director
Jorge L. Benitez	
/s/ RICHARD A. KASSAR	Director
Richard A. Kassar	
/s/ MYLES KLEIN	Director
Myles Klein	
/s/ JOHN L. MANLEY	Director
John L. Manley	
/s/ J. THOMAS PRESBY	Director
J. Thomas Presby	
/s/ STEPHEN K. RODDENBERRY	Director
Stephen K. Roddenberry	
/s/ PAUL H. STEBBINS	Director
Paul H. Stebbins	

Exhibit 10.15

STOCK-SETTLED STOCK APPRECIATION RIGHT AGREEMENT

1. Grant of SSARs. World Fuel Services Corporation, a Florida corporation (the "Company") has awarded to Michael J. Kasbar (the "Participant"), effective as of grant date (the "Grant Date") # of shares stock settled stock appreciation rights (the "SSARs"). The SSARs have been granted under the Company's 2006 Omnibus Plan, as amended and restated (the "Plan"), which is incorporated herein for all purposes, and the grant of the SSARs shall be subject to the terms, provisions and restrictions set forth in this Agreement, that certain Employment Agreement between the Company and the Participant dated March 14, 2008, as amended (the "Executive's Agreement"), and the Plan. The SSARs entitle the Participant to convert the SSARs into, and to receive, shares of common stock of the Company, $0.01 par value per share (the "Common Stock"), the aggregate Fair Market Value of which is equal to the product of: (A) the number of SSARs granted pursuant to this Agreement and that become vested pursuant to Section 3 hereof, multiplied by (B) the excess of (i) the Fair Market Value of one share of the Common Stock on the date or dates upon which the Participant converts the vested SSARs to Common Stock, over (ii) the Conversion Price. As a condition to entering into this Agreement, and as a condition to the issuance of any shares of Common Stock (or any other securities of the Company), the Participant agrees to be bound by all of the terms and conditions set forth in this Agreement and in the Plan.

2. Definitions. Capitalized terms and phrases used in this Agreement shall have the meaning set forth below. Capitalized terms used herein and not defined in this Agreement shall have the meaning set forth in the Plan.

(a) ***"Cause"*** means "Cause" as defined in Section 3.3 of the Executive's Agreement.

(b) ***"Conversion Price"*** means $conversion price, subject to adjustments as provided in Section 4 hereof or pursuant to the Plan.

(c) "***Expiration Date***" means the fifth anniversary of the Grant Date.

(d) "***Good Reason*"** means "Good Reason" as defined in Section 3.6 of the Executive's Agreement.

(e) ***"Termination Date"*** means the date on which the Participant is no longer an employee of the Company or any Subsidiary.

3. Vesting and Forfeiture of Shares.

(a) Subject to the provisions of this Section 3, the SSARs shall become vested on the third anniversary of the Grant Date (the "Vesting Date"); *provided that* the Participant's employment with the Company continues through and until the Vesting Date. Termination of employment with the Company to accept immediate re-employment with a Subsidiary, or vice-versa, or termination of employment with a Subsidiary to accept immediate re-employment with a different Subsidiary, shall not be deemed termination of employment for purposes of this Section 3.

(b) The vesting of the SSARs shall be accelerated if and to the extent provided in Section 5.6 of the Executive's Agreement.

(c) Except as otherwise provided in Section 3(b) hereof, in the event that the Participant's employment with the Company and its Subsidiaries is terminated prior to the Vesting Date, the Participant shall immediately forfeit all of the SSARs that were not vested on or before the Termination Date.

1. Adjustment. The number of SSARs and/or the Conversion Price are subject to adjustment by the Compensation Committee of the Board of Directors of the Company (the "Committee") in the event of any increase or decrease in the number of issued shares of Common Stock resulting from a subdivision or consolidation of the Common Stock or the payment of a stock dividend on Common Stock, or any other increase or decrease in the number of shares of Common Stock effected without receipt or payment of consideration by the Company.

3. Substitution of SSARs. The Committee shall have the authority to substitute, without receiving the Participant's permission, options to purchase Common Stock for the SSARs in the event that the Committee determines, in its sole discretion, that such substitution is necessary or desirable based on legal, tax and/or accounting requirements applicable to the Company or the Participant; *provided that* (i) the vesting and expiration terms of any such substituted option shall be the same as set forth in this Agreement, (ii) the exercise price of any such substituted option shall be equal to the Conversion Price (as may be adjusted in accordance with Section 4 hereof), and (iii) the exercisability and transferability of any such substituted option shall be consistent with the Plan, the Executive's Agreement and this Agreement and in compliance with applicable law; and *provided further, that* the Committee also shall have the ability to revert, without receiving the Participant's permission, any unvested substituted options to purchase Common Stock back to equivalent SSARs, in the event that the Committee determines, in its sole discretion, that such reversion is necessary or desirable based on legal, tax and/or accounting requirements applicable to the Company or the Participant.

4. Termination of SSARs

(a) Any SSARs that have not previously been exercised or forfeited shall immediately terminate on the Expiration Date and be of no further force or effect.

(b) In the event that the Participant's employment with the Company or any Subsidiary is terminated by the Company or a Subsidiary for Cause or by the Participant without Good Reason, (i) the Participant immediately shall forfeit all rights to convert any SSARs (or exercise any substituted options), which have not vested prior to the Termination Date, and (ii) the Participant's SSARs (and any substituted options) which vested prior to the Termination Date shall continue to be convertible into Common Stock (or exercisable if substituted options) until the earlier of: (x) three (3) months after the Termination Date, or (y) the Expiration Date. Any vested SSARs (or substituted options) which are not converted or exercised during the period set forth in the preceding sentence shall immediately terminate and be of no further force or effect as of the end of that period.

(c) In the event that the Participant's employment with the Company and its Subsidiaries is terminated for any reason other than by the Company or a Subsidiary for Cause or by the Participant without Good Reason, the SSARs (or any substituted options), if any, that then are or subsequently become vested shall be convertible into Common Stock (or exercisable if substituted options) until the earlier of: (x) two (2) years plus 90 days after the Termination Date, or (y) the Expiration Date. Any vested SSARs (or substituted options) which are not converted or

exercised during the period set forth in the preceding sentence automatically shall immediately terminate and be of no further force or effect as of the end of that period.

5. Persons Eligible to Convert SSARs. The SSARs shall be convertible into Common Stock during the Participant's lifetime by the Participant or upon the death of the Participant by a transferee to whom the SSAR or the right to convert the SSAR into Common Stock has been transferred pursuant to Section 8 below.

6. Death of Participant. The Participant may designate, by written notice to the Company's Secretary, a beneficiary or beneficiaries to whom any vested but unconverted portion of the SSARs shall be transferred upon the death of the Participant. In the absence of such designation, such vested but unconverted portion will be transferred to the Participant's estate. No such transfer of the SSARs, or the right to convert the SSARs or any portion thereof into Common Stock, shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and with a copy of the will and/or such evidence as the Committee deems necessary to establish the validity of such transfer or right to convert, and an agreement by the transferee, administrator, or executor (as applicable) to comply with all the terms of this Agreement that are or would have been applicable to the Participant and to be bound by the acknowledgements made by the Participant in connection with this grant.

7. Conversion of SSARs. Subject to Section 21 hereof, the vested SSARs may be converted into Common Stock, in whole or in part, by the person then entitled to do so as to any vested portion by giving written notice of conversion to the attention of the Company's Secretary and specifying the number of full shares of Common Stock with respect to which the SSARs are being converted. No partial conversion of the vested SSARs may be for less than ten (10) shares or multiples thereof. No fractional shares of Common Stock shall be issued by the Company in connection with the conversion of the vested SSARs. In lieu of issuing fractional shares, the Company shall pay the Participant cash in an amount equal to the Fair Market Value of any fractional shares that the Participant may be entitled to receive upon the conversion hereof.

8. No Rights of Stockholder. Neither the Participant (nor any beneficiary or transferee) shall be or have any of the rights or privileges of a stockholder of the Company in respect of any of the shares of Common Stock issuable upon the conversion of the SSARs, unless and until the shares of Common Stock are issued to the Participant. Except as expressly provided in Section 4 above or in the Plan, no adjustment to the SSARs shall be made for dividends or other rights for which the record date occurs prior to the date the certificates representing such shares of Common Stock are issued.

9. No Effect on Employment. Except as otherwise provided in the Executive's Agreement, the Participant's employment with the Company and any Subsidiary is on an at-will basis only. Accordingly, subject to the terms of the Executive's Agreement, nothing in this Agreement or the Plan shall confer upon the Participant any right to continue to be employed by the Company or any Subsidiary, or shall interfere with or restrict in any way the rights of the Company or any Subsidiary, which are hereby expressly reserved, to terminate the employment of the Participant at any time for any lawful reason whatsoever or for no reason, with or without Cause and with or without notice. Such reservation of rights can be modified only in an express written contract executed by a duly authorized officer of the Company.

10. Transferability. Except as provided in Section 8 above or as otherwise permitted by the Plan, the SSARs may not be transferred, directly or indirectly.

11. Other Benefits. Except as provided below, nothing contained in this Agreement shall affect the Participant's right to participate in and receive benefits under and in accordance with the then current provisions of any pension, insurance or other employee welfare plan or program of the Company or any Subsidiary.

12. Maximum Term of SSARs. Notwithstanding any other provision of this Agreement, the SSARs are not convertible into Common Stock after the Expiration Date.

13. Binding Agreement. Subject to the limitation on the transferability of the SSARs contained herein, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

14. Plan Governs. This Agreement is subject to all of the terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern, and in the event of any conflict between this Agreement and the Executive's Agreement, the Executive's Agreement shall govern.

15. Governing Law/Jurisdiction. The validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida, without regard to any conflict-of-law rule or principle that would give effect to the laws of another jurisdiction. Any dispute, controversy, or question of interpretation arising under, out of, in connection with, or in relation to this Agreement or any amendments hereof, or any breach or default hereunder, shall be submitted to, and determined and settled by, litigation in the state or federal courts in Miami-Dade County, Florida. Each of the parties hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in Miami-Dade County, Florida. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any litigation in Miami-Dade County, Florida.

16. Committee Authority. The Committee shall have all discretion, power, and authority to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon the Participant, the Company and all other interested persons, and shall be given the maximum deference permitted by law. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement.

17. Captions. The captions provided herein are for convenience only and are not to serve as a basis for the interpretation or construction of this Agreement.

18. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

19. Taxes; Exercise Price. Prior to converting any vested SSARs or exercising any vested substituted options, the Participant shall pay to the Company an amount determined by the Company to be sufficient to satisfy any applicable federal, state, local and foreign withholding or other taxes and, in the case of substituted options, the applicable exercise price. The Company may, at its option, permit the Participant or other person converting the vested SSARs or exercising the vested options to satisfy his or her obligations by surrendering to the Company a portion of the

shares of Common Stock that the Participant or such person would otherwise be entitled to receive upon such conversion or exercise. Any acquisition of shares of Common Stock by the Company as contemplated hereby is expressly approved by the Committee as part of the approval of the SSARs. Until such time as the Participant has satisfied the requirements of this Section 21, the Company shall have no obligation to effect a conversion of SSARs or exercise of substituted options hereunder.

20. Registration Statement. The Participant acknowledges and agrees that the Company has filed a Registration Statement on Form S-8 (the "Registration Statement") under the Securities Act of 1933, as amended (the "1933 Act"), to register the shares of Common Stock under the 1933 Act. The Participant acknowledges receipt of the Prospectus prepared by the Company in connection with the Registration Statement. Prior to conversion of the SSARs into shares of Common Stock, or exercise of any substituted option, the Participant shall execute and deliver to the Company such representations in writing as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities law.

21. Miscellaneous. This Agreement, the Executive's Agreement and the Plan constitute the entire understanding of the parties on the subjects covered. The Participant expressly warrants that he is not executing this Agreement in reliance on any promises, representations, or inducements other than those contained herein. This Agreement and the Plan can be amended or terminated by the Company to the extent permitted under the Plan. Amendments hereto shall be effective only if set forth in a written statement or contract, executed by a duly authorized member of the Committee. The Participant shall at any time and from time to time after the date of this Agreement, do, execute, acknowledge, and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, receipts, acknowledgments, acceptances and assurances as may reasonably be required to give effect to the terms hereof, or otherwise to satisfy and perform the Participant's obligations hereunder.

22. Section 409A

(a) It is intended that the SSARs awarded pursuant to this Agreement be exempt from Section 409A of the Code ("Section 409A") because it is believed that (i) the compensation payable under each SSAR cannot be greater than the excess of the Fair Market Value of a share of Common Stock on the date the SSAR is exercised over the Conversion Price specified on the Grant Date, (ii) except as would not adversely affect the ability of the SSARs to be exempt from Section 409A, the Conversion Price for each SSAR can never be less than the Fair Market Value of a share of Common Stock on the Grant Date, and (iii) each SSAR does not include any feature for the deferral of compensation other than the deferral of recognition of income until the exercise of the SSAR. The provisions of this Agreement shall be interpreted in a manner consistent with this intention, and the provisions of this Agreement may not be amended, adjusted, assumed or substituted for, converted or otherwise modified without the Participant's prior written consent if and to the extent that the Company believes that such amendment, adjustment, assumption or substitution, conversion or modification would cause the award to violate the requirements of Section 409A. In the event that either the Company or the Participant believes, at any time, that any benefit or right under this Agreement is subject to Section 409A, and does not comply with the requirements of Section 409A, it shall promptly advise the other and the Company and the Participant shall negotiate reasonably and in good faith to amend the terms of such benefits and rights, if such an amendment may be made in a commercially reasonable manner, such that they

comply with Section 409A with the most limited possible economic affect on the Participant and on the Company.

(b) Notwithstanding the foregoing, the Company does not make any representation to the Participant that the SSARs awarded pursuant to this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Participant or any beneficiary for any tax, additional tax, interest or penalties that the Participant or any beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof, or any other action taken with respect thereto, that either is consented to by the Participant or that the Company reasonably believes should not result in a violation of Section 409A, is deemed to violate any of the requirements of Section 409A.

23. Stock Retention Policy. The Participant understands that the Committee has adopted a policy that requires the Participant to retain ownership of half (50%) of the shares of Common Stock acquired by Participant hereunder (net of the number of shares of Common Stock which would need to be sold to satisfy any applicable taxes owed upon conversion), for a period of three (3) years after issuance of such shares of Common Stock (or until the Participant's employment with, and services for, the Company and its Subsidiaries terminates, if earlier). The Participant agrees to comply with such policy, and any modifications thereof that may be adopted by the Committee from time to time.

24. Stock Ownership Policy. The Participant understands that the Committee has adopted a policy that requires the Participant to own a multiple of the Participant's base salary, determined by leadership level, in Common Stock. The Participant agrees to comply with such policy and any modifications thereof that may be adopted by the Committee from time to time.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Grant Date.

WORLD FUEL SERVICES CORPORATION

By: _______________

Name:

Title:

PARTICIPANT

Signature: _____________

Print Name: Michael J. Kasbar

PERFORMANCE-BASED RESTRICTED STOCK UNIT GRANT AGREEMENT

1. Grant of Award. World Fuel Services Corporation, a Florida corporation (the "***Company***"), has awarded to [●] (the "***Participant***"), effective as of grant date (the "***Grant Date***"), a target award of [●] performance-based restricted stock units (the "***PRSUs***") corresponding to the same number of shares (the "***Shares***") of the Company's common stock, par value US $0.01 per share (the "***Common Stock***"). The PRSUs have been granted under the Company's 2006 Omnibus Plan, as amended and restated (the "***Plan***"), which is incorporated herein for all purposes, and the grant of PRSUs shall be subject to the terms, provisions and restrictions set forth in this Agreement and the Plan. As a condition to entering into this Agreement, and as a condition to the issuance of any Shares (or any other securities of the Company), the Participant agrees to be bound by all of the terms and conditions set forth in this Agreement and in the Plan.

2. Definitions. Capitalized terms and phrases used in this Agreement shall have the meaning set forth below. Capitalized terms used herein and not defined in this Agreement, shall have the meaning set forth in the Plan. Notwithstanding the foregoing, the definitions of "***Cause***", and "***Disability***" and "***Good Reason***" shall have the meanings set forth in the Employment Agreement (as defined below).

(a) "***Committee***" means the Compensation Committee of the Company.

(b) "***Determination Date***" means the date as soon as reasonably practicable following the date on which the Company's audited financial statements with respect to fiscal year 20[●] are available, but in no event later than March 15, 20[●], as determined by the Committee, on which the Committee determines whether the Performance Goal has been achieved; provided, however, that, in the event of a Change of Control in which the PRSUs are converted to Acquirer RSUs in accordance with Section 3(b)(i)(B), the Determination Date shall mean December 31, 20[●].

(a) "***Disability***" means the inability of the Participant, due to illness, accident or any other physical or mental incapacity, to perform his or her employment duties for the Company and its Subsidiaries (or any successor company) for an aggregate of one hundred eighty (180) days within any period of twelve (12) consecutive months.

(b) "***Employment Agreement***" means any employment agreement or individual severance agreement or severance plan by and between the Company and the Participant, as in effect on the Grant Date.

(c) "***Good Reason***" means within the two (2) year period following a Change of Control:

(i) the assignment to the Participant of any duties inconsistent in any material respect with the Participant's position (including status, title and reporting requirements), authority, duties or responsibilities or any other action by the successor company that results in a material diminution in such position, authority, duties or responsibilities, in each case as in effect immediately prior to the Change of Control, excluding for this purpose any action not taken in bad faith and which is remedied by the successor company promptly after notice thereof given by the Participant;

(ii) any reduction in, or failure to pay, the Participant's base salary as in effect immediately prior to the Change of Control, other than a reduction or failure that is

remedied by the successor company within 15 days after notice thereof given by the Participant; or

(iii) any failure by the successor company to provide the Participant with bonus and equity opportunities, or employee benefits and perquisites in the aggregate, that are not less than those provided to the Participant in the calendar year immediately preceding the Change in Control, other than a failure not occurring in bad faith and that is remedied by the successor company within 15 days after receipt of notice thereof given by the Participant; or

(iv) the successor company's requiring the Participant to be based at any office or location that is more than 50 miles from the Participant's principal place of employment immediately prior to the Change of Control, except for travel reasonably required in the performance of the Participant's responsibilities, consistent with the Participant's position.

Notwithstanding anything to the contrary contained herein, the Participant shall not be entitled to terminate employment and be eligible to vest in the Acquirer RSUs described in Section 3(b)(iii) of this Agreement as the result of the occurrence of any event of the foregoing events unless, within 90 days following the occurrence of such event, the Participant provides written notice to the successor company of the occurrence of such event, which notice sets forth the exact nature of the event and the conduct required to cure such event. The successor company will have 30 days from the receipt of such notice (such period, the ***"Cure Period"***) within which to cure the circumstances giving rise to Good Reason. If, during the Cure Period, such event is remedied, then the Participant shall not be permitted to terminate employment and be eligible to vest in the Acquirer RSUs described in Section 3(b)(iii) of this Agreement as a result of such Good Reason. If, at the end of the Cure Period, the circumstances giving rise to Good Reason have not been remedied, the Participant shall be entitled to terminate employment as a result of such Good Reason during the 45 day period that follows the end of the Cure Period. If the Participant does not terminate employment during such 45 day period, the Participant shall not be permitted to terminate employment and be eligible to vest in the portion of the Acquirer RSUs described in Section 3(b)(iii) of this Agreement as a result of such event. For the avoidance of doubt, solely for purposes of this Agreement, this definition of Good Reason shall supersede any definition of Good Reason in the Participant's Employment Agreement.

(d) "***Measurement Period***" means the three (3) year period from January 1, 20[●] through December 31, 20[●].

(c) "***Performance Goal***" means the goal set forth on Schedule A, the achievement of which determines the number of Shares, if any, that shall be issued pursuant to this Agreement.

(d) "***Section 409A"*** means Section 409A of the U.S. Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder.

(e) "***Termination Date***" means the date on which the Participant is no longer an employee of the Company or any Subsidiary.

3. Vesting and Forfeiture of Shares. (%2) (%3)On the Determination Date, the Company shall determine the extent to which the Performance Goal has been achieved. Subject to the provisions of this Section 3, the delivery of Shares with respect to the PRSUs is contingent

on the attainment of the Performance Goal and, except as otherwise set forth in this Section 3, all outstanding PRSUs will be immediately forfeited on the Determination Date unless the Company determines that the Performance Goal has been satisfied. Upon such determination by the Company and subject to the provisions of the Plan and this Agreement, the Participant shall have the right to payment of that percentage of the target amount of PRSUs as corresponds to the level of the Performance Goal achieved. Furthermore, except as otherwise provided in this Section 3, in order to be entitled to payment with respect to any PRSUs, the Participant must be employed by the Company or any Subsidiary on the Determination Date. Except as otherwise provided in this Section 3, there shall be no proportionate or partial vesting of the PRSUs prior to the Determination Date.

(i) The PRSUs are intended to qualify as "qualified performance-based compensation" under Section 162(m) of the Code. The Committee retains the sole and plenary discretion to make any adjustment permitted by Section 3.2 of the Plan or to reduce or eliminate the number of PRSUs in accordance with the terms of the Plan for any reason deemed appropriate by the Committee, even if the Performance Goal has been attained and without regard to the Employment Agreement or any other agreement between the Company and the Participant.

(ii) The Participant expressly acknowledges that the terms of this Section 3 shall supersede any inconsistent provision in the Employment Agreement or any similar agreement between the Participant and the Company or any Subsidiary.

(b) The vesting of the PRSUs (or, if applicable, Acquirer RSUs (as defined below)) shall be accelerated if and to the extent provided in this Section 3(b):

(i) *Change of Control.* (%3)Except as otherwise determined by the Company as set forth in Section 3(b)(i)(B) hereof, in the event that a Change of Control occurs while the Participant is employed by the Company or any Subsidiary, the Participant shall immediately become fully vested and nonforfeitable upon the Change of Control in the PRSUs, with the number of Shares that will be delivered equal to the greater of target performance and actual performance as determined by the Committee in its reasonable discretion as of the most recent practicable date prior to the Change of Control.

(A) Notwithstanding Section 3(b)(i)(A) hereof, if in the event of a Change of Control the Company determines that the successor company shall assume or substitute the PRSUs as of the date of the Change of Control, then the vesting of the PRSUs that are assumed or substituted shall not be so accelerated as a result of such Change of Control; provided, however, that, if the PRSUs are so assumed or substituted, the PRSUs shall no longer be subject to the Performance Goal and, instead a number of PRSUs shall convert to service-based restricted stock units as of the Change of Control based on the greater of target performance and actual performance as determined by the Committee in its reasonable discretion as of the most recent practicable date prior to the Change of Control. For this purpose, the PRSUs shall be considered assumed or substituted only if (1) the PRSUs that are assumed or substituted vest at the times that such PRSUs would vest pursuant to this Agreement (based solely on continued service) and (2) immediately following the Change of Control, the PRSUs confer the right to receive for each unvested PRSU held immediately prior to the Change of Control, the consideration (whether stock, cash or other securities or property) received by holders of Shares in the transaction constituting a Change of Control for each Share held on the effective

date of such transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the transaction constituting a Change of Control is not solely common stock of the successor company or its parent or subsidiary, the Company may provide that the consideration to be received upon the vesting of any PRSU will be solely common stock of the successor company or its parent or subsidiary substantially equal in fair market value to the per share consideration received by holders of Shares in the transaction constituting a Change of Control. The determinations of (1) whether the PRSUs shall be assumed or substituted in accordance with this Section 3(b)(i)(B) or shall accelerate vesting in accordance with Section 3(b)(i)(A) hereof and (2) in the event that this Section 3(b)(i)(B) is applicable, such substantial equality of value of consideration shall be made by the Committee in its sole discretion and its determinations shall be conclusive and binding. The award resulting from the assumption or substitution of the PRSUs by the successor company shall, except as otherwise provided in this Section 3(b), continue to vest after the Change of Control transaction based solely on the Participant's continued employment with the successor company and its affiliates through the Determination Date, and shall be referred to hereafter as the "***Acquirer RSUs***".

(ii) *Death and Disability*. In the event that the Participant's employment with the Company and its Subsidiaries is terminated due to the Participant's death or Disability (A) prior to a Change of Control and on or before the 18-month anniversary of the Grant Date, the Participant shall become immediately vested in the target number of PRSUs pro rated in accordance with Section 3(e) hereof, (B) prior to a Change of Control and following the 18-month anniversary of the Grant Date, the Participant shall become vested on the Determination Date in the number of PRSUs determined by the Committee following the end of the Measurement Period based on the extent to which the Performance Goal has been achieved and pro rated in accordance with Section 3(e) hereof, or (C) on or following a Change of Control, the Participant shall immediately vest upon the Termination Date in all outstanding Acquirer RSUs. Notwithstanding the foregoing sentence, in the event that a Change of Control occurs following the date that the Participant's employment is terminated due to the Participant's death or Disability following the 18-month anniversary of the Grant Date in accordance with Section 3(b)(ii)(B), the number of PRSUs shall be determined by the Committee in accordance with Section 3(b)(i) hereof and the Participant shall immediately vest in a pro rated portion of such PRSUs determined in accordance with Section 3(e) hereof.

(iii) *Termination without Cause or for Good Reason*. (%4)In the event that the Participant's employment with the Company and its Subsidiaries is terminated by the Company and its Subsidiaries without Cause or by the Participant for Good Reason (1) prior to the Determination Date and prior to a Change of Control, the Participant shall become vested on the Determination Date in the number of PRSUs determined by the Committee following the end of the Measurement Period based on the extent to which the Performance Goal has been achieved and pro rated in accordance with Section 3(e) hereof, or (2) on or following a Change of Control, the Participant shall immediately vest upon the Termination Date in all outstanding Acquirer RSUs. Notwithstanding the foregoing sentence, in the event that a Change of Control occurs following the date that the Participant's employment is terminated by the Company and its Subsidiaries without Cause or by the Participant for Good Reason prior to the Determination Date, the number of PRSUs

shall be determined by the Committee in accordance with Section 3(b)(i) hereof, and the Participant shall immediately vest upon the Change of Control in a pro-rated portion of such PRSUs determined in accordance with Section 3(e) hereof.

(A) Notwithstanding the foregoing, the vesting set forth in Section 3(b)(iii)(A) hereof shall not occur and the PRSUs shall be forfeited if the Participant (1) engages in conduct prior to the Determination Date that constitutes a breach of the Participant's covenants under the Employment Agreement or under this Agreement with respect to unfair competition, non-competition, non-solicitation, non-disparagement or cooperation or (2) to the extent a release is contemplated by the Employment Agreement, fails to execute a full general release of all claims in favor of the Company and its affiliates as contemplated by such Employment Agreement. **Nothing in this Section 3 or this Agreement shall be deemed to limit or modify the non-competition, confidentiality or non-solicitation restrictions to which the Participant is already subject, which restrictions shall continue to be separately enforceable in accordance with their terms.**

(c) *Other Terminations of Employment*. In the event that the Participant's employment with the Company and its Subsidiaries is terminated prior to the Determination Date for any reason other than the Participant's death or Disability, or by the Company and its Subsidiaries without Cause or by the Participant for Good Reason, the Participant shall immediately forfeit all the PRSUs (or, if applicable, Acquirer RSUs) on the Termination Date.

(d) *Transfers of Employment*. Termination of employment with the Company (or, if applicable, the successor company) to accept immediate re-employment with a Subsidiary, or vice-versa, or termination of employment with a Subsidiary to accept immediate re-employment with a different Subsidiary, shall not be deemed termination of employment for purposes of this Section 3.

(e) *Pro-Ration of PRSUs*. For purposes of clauses (b)(ii) and (b)(iii), the pro-rated portion of PRSUs shall be calculated by multiplying the number of PRSUs determined by the Committee based on the extent to which the Performance Goal has been achieved by a fraction, the numerator of which shall be the number of days that have elapsed between the Grant Date and the Termination Date and the denominator of which shall be the total number of days between the Grant Date and the Determination Date, which for this purpose shall be deemed to be March 15, 2019, and the remaining portion of such PRSUs, if any, shall be forfeited.

4. Adjustment. The number of PRSUs (or, if applicable, Acquirer RSUs) are subject to adjustment by the Committee in the event of any increase or decrease in the number of issued Shares resulting from a subdivision or consolidation of the Common Stock or the payment of a stock dividend on Common Stock, or any other increase or decrease in the number of Shares effected without receipt or payment of consideration by the Company.

5. Settlement of Awards.

(a) Delivery of Shares. The Company shall deliver the Shares corresponding to the vested PRSUs (or, if applicable, Acquirer RSUs) to the Participant within 30 days following the Determination Date, but in no event later than March 15 of the calendar year immediately following the calendar year in which the Determination Date occurs; provided, however, that, (i) in the event of a Change of Control pursuant to which the PRSUs accelerate vesting in accordance with Section 3(b)(i)(A) hereof, the Company shall deliver Shares corresponding to vested PRSUs

to the Participant within 10 days following such Change of Control, (ii) in the event of the Participant's termination of employment (A) due to death or Disability on or prior to the 18-month anniversary of the Grant Date or following a Change of Control or (B) by the Company without Cause or by the Participant for Good Reason, in either case, following a Change of Control, the Company shall deliver the Shares corresponding to the vested Acquirer RSUs to the Participant within 30 days following such Termination Date. Notwithstanding any provision in this Agreement to the contrary, the PRSUs (or, if applicable, Acquirer RSUs) shall be settled no later than March 15 of the calendar year immediately following the year in which they are no longer subject to a substantial risk of forfeiture (within the meaning of Treasury Regulation Section 1.409A-1(d)).

(b) Death of Participant. By written notice to the Company's Secretary, the Participant may designate a beneficiary or beneficiaries to whom any vested PRSUs (or, if applicable, Acquirer RSUs) and the Participant's Cash Account (as defined below) shall be transferred upon the death of the Participant. In the absence of such designation, or if no designated beneficiary survives the Participant, such vested PRSUs (or, if applicable, Acquirer RSUs) and the Participant's Cash Account shall be transferred to the legal representative of the Participant's estate. No such transfer of the PRSUs (or, if applicable, Acquirer RSUs) shall be effective to bind the Company unless the Company shall have been furnished with (i) written notice thereof, (ii) a copy of the will and/or such evidence as the Company deems necessary to establish the validity of such transfer or right to convert and (iii) an executed agreement by the transferee, administrator, or executor (as applicable) to (A) comply with all the terms of this Agreement that are or would have been applicable to the Participant and (B) be bound by the acknowledgements made by the Participant in connection with this grant.

(c) Settlement Conditioned Upon Satisfaction of Tax Obligations. Notwithstanding the foregoing, the Company's obligation to deliver any consideration pursuant to this Section 5 shall be subject to, and conditioned upon, satisfaction of the Participant's obligations relating to the applicable federal, state, local and foreign withholding or other taxes pursuant to Section 9 hereof.

6. Rights with Respect to Shares Represented by PRSUs.

(a) No Rights as Shareholder until Delivery. Except as otherwise provided in this Section 6, the Participant shall not have any rights, benefits or entitlements with respect to any Shares subject to this Agreement unless and until the Shares have been delivered to the Participant. On or after delivery of the Shares, the Participant shall have, with respect to the Shares delivered, all of the rights of a shareholder of the Company, including the right to vote the Shares and the right to receive all dividends, if any, as may be declared on the Shares from time to time.

(b) Dividend Equivalents.

(i) Cash Dividends. As of each date on which the Company pays a cash dividend with respect to its Shares, the Company shall credit to a bookkeeping account (the "***Cash Account***") for the Participant an amount equal to the cash dividend that would have been payable with respect to the Shares corresponding to the PRSUs (or, if applicable, shares corresponding to Acquirer RSUs). Upon the vesting of any PRSUs hereunder (or, if applicable, Acquirer RSUs), the Participant shall vest in and have the right to receive that portion of the Cash Account which relates to any such vested PRSUs (or, if applicable, Acquirer RSUs). The value of the Participant's Cash Account shall vest and be distributable to the Participant at the same time as the Shares corresponding to the vested PRSUs (or, if applicable, the consideration corresponding to Acquirer RSUs) are distributed to the

Participant. For the avoidance of doubt, if, on the Determination Date, the Company determines that the Performance Goal has not been achieved and the PRSUs are forfeited pursuant to Section 3(a)(i) hereof, the Participant's Cash Account will be immediately forfeited, along with the PRSUs, on the Determination Date.

(ii) Stock Dividends. As of each date on which the Company pays a stock dividend with respect to its Shares, the Shares corresponding to the PRSUs shall be increased by the stock dividend that would have been payable with respect to the Shares that correspond to the PRSUs, and shall be subject to the same vesting requirements as the PRSUs to which they relate and, to the extent earned and vested, shall be distributed at the same time as the Shares corresponding to the vested PRSUs are distributed.

7. Transfers. The Participant may not, directly or indirectly, sell, pledge or otherwise transfer any PRSUs or Acquirer RSUs or any rights with respect to the Cash Account.

8. Registration Statement. The Participant acknowledges and agrees that the Company has filed a Registration Statement on Form S-8 (the "***Registration Statement***") under the Securities Act of 1933, as amended (the "***1933 Act***"), to register the Shares under the 1933 Act. The Participant acknowledges receipt of the Prospectus prepared by the Company in connection with the Registration Statement. Prior to conversion of the PRSUs into Shares, the Participant shall execute and deliver to the Company such representations in writing as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities law.

9. Taxes; Potential Forfeiture.

(a) Payment of Taxes. On or prior to the date on which any Shares corresponding to any vested PRSUs (or, if applicable, consideration corresponding to Acquirer RSUs) are delivered or the Participant's vested Cash Account is paid, the Participant shall remit to the Company an amount sufficient to satisfy any applicable federal, state, local and foreign withholding or other taxes. No certificate for any Shares corresponding to any PRSUs (or, if applicable, consideration corresponding to Acquirer RSUs) that have vested, uncertificated shares or any cash attributable to the Participant's Cash Account, shall be delivered or paid to the Participant until the foregoing obligation has been satisfied.

(b) Alternative Payment Methods and Company Rights. The Company may, at its option, permit the Participant to satisfy his or her obligations under this Section 9, by tendering to the Company a portion of the Shares (or, if applicable, consideration corresponding to Acquirer RSUs) that otherwise would be delivered to the Participant pursuant to the PRSU (or, if applicable, Acquirer RSUs). In the event that the Participant fails to satisfy his or her obligations under this Section 9, the Participant agrees that the Company shall have the right to satisfy such obligations on the Participant's behalf by taking any one or more of the following actions (such actions to be in addition to any other remedies available to the Company): (1) withholding payment of any fees or any other amounts payable to the Participant, (2) selling all or a portion of the Shares underlying the PRSUs (or, if applicable, consideration underlying Acquirer RSUs) in the open market or (3) withholding and canceling all or a portion of the Shares corresponding to the vested PRSUs (or, if applicable, consideration corresponding to Acquirer RSUs). Any acquisition of Shares corresponding to PRSUs (or, if applicable, consideration corresponding to Acquirer RSUs) by the Company as contemplated hereby is expressly approved by the Committee as part of the approval of this Agreement.

(c) Forfeiture for Failure to Pay Taxes. If and to the extent that (i) the Participant fails to satisfy his or her obligations under this Section 9 and (ii) the Company does not exercise its right to satisfy those obligations under Section 9(b) hereof with respect to any PRSUs (or, if applicable, Acquirer RSUs) or any portion of the vested Cash Account within 30 days after the date on which the Shares corresponding to the vested PRSUs (or, if applicable, consideration corresponding to Acquirer RSUs) or vested Cash Account otherwise would be delivered pursuant to Sections 5 and 6(b) hereof, as applicable, the Participant shall immediately forfeit any rights with respect to the portion of the PRSUs (or, if applicable, Acquirer RSUs) or vested Cash Account to which such failure relates.

10. Stock Retention Policy. The Participant understands that the Committee has adopted a policy that requires the Participant to retain ownership of one-half (50%) of the Shares underlying the PRSUs acquired by the Participant hereunder (net of the number of Shares that the Company determines to withhold or that the Participant is permitted to tender, in each case, pursuant to Section 9 hereof to satisfy applicable tax withholding requirements), for a period of three (3) years after vesting of such PRSUs (or until the Participant's employment with, and services for, the Company and its Subsidiaries terminates, if earlier). The Participant agrees to comply with such policy and any modifications thereof that may be adopted by the Committee from time to time.

2. Stock Ownership Policy. The Participant understands that the Committee has adopted a policy that requires the Participant to own a multiple of the Participant's base salary, determined by leadership level, in Shares. The Participant agrees to comply with such policy and any modifications thereof that may be adopted by the Committee from time to time.

11. No Effect on Employment. Except as otherwise provided in the Participant's Employment Agreement, the Participant's employment with the Company and any Subsidiary is on an at-will basis only. Accordingly, subject to the terms of such Employment Agreement, nothing in this Agreement or the Plan shall confer upon the Participant any right to continue to be employed by the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company or any Subsidiary, which are hereby expressly reserved, to terminate the employment of the Participant at any time for any lawful reason whatsoever or for no reason, with or without Cause and with or without notice. Such reservation of rights can be modified only in an express written contract executed by a duly authorized officer of the Company.

12. Other Benefits. Except as provided below, nothing contained in this Agreement shall affect the Participant's right to participate in and receive benefits under and in accordance with the then current provisions of any pension, insurance or other employee welfare plan or program of the Company or any Subsidiary.

13. Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

14. Plan Governs. This Agreement is subject to all of the terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern.

15. Governing Law/Jurisdiction. The validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida, without regard to any conflict-of-law rule or principle that would give effect to the laws of another jurisdiction. Any dispute, controversy or question of interpretation arising under, out of, in connection with or in relation to this Agreement or any amendments hereof, or any breach or default hereunder, shall

be submitted to, and determined and settled by, litigation in the state or federal courts in Miami-Dade County, Florida. Each of the parties hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in Miami-Dade County, Florida. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any litigation in Miami-Dade County, Florida.

16. Authority. The Committee (and, upon delegation by the Committee, the Company) shall have all discretion, power, and authority to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith. All actions taken and all interpretations and determinations made by the Committee (or, if applicable, the Company) in good faith shall be final and binding upon the Participant, the Company and all other interested persons, and shall be given the maximum deference permitted by law. No member of the Committee (or, if applicable, officer of the Company) shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement.

17. Captions. The captions provided herein are for convenience only and are not to serve as a basis for the interpretation or construction of this Agreement.

18. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

19. Miscellaneous. This Agreement constitutes the entire understanding of the parties on the subjects covered. The Participant expressly warrants that he or she is not executing this Agreement in reliance on any promises, representations or inducements other than those contained herein. This Agreement and the Plan can be amended or terminated by the Company to the extent permitted under the Plan. Amendments hereto shall be effective only if set forth in a written statement or contract executed by a duly authorized member of the Committee (or, if applicable, officer of the Company). The Participant shall at any time and from time to time after the date of this Agreement, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, receipts, acknowledgments, acceptances and assurances as may reasonably be required to give effect to the terms hereof, or otherwise to satisfy and perform Participant’s obligations hereunder.

20. Compliance with Section 409A.

(a) It is intended that the PRSUs awarded pursuant to this Agreement and the Cash Account be exempt from Section 409A, because it is believed that the Agreement does not provide for a deferral of compensation and accordingly that the Agreement does not constitute a nonqualified deferred compensation plan within the meaning of Section 409A. If and to the extent that the Company believes that the PRSUs (including, if applicable, the Acquirer RSUs) or rights to the Cash Account may constitute a “nonqualified deferred compensation plan” under Section 409A, the terms and conditions set forth in this Agreement (and/or the provisions of the Plan applicable thereto) shall be interpreted in a manner consistent with the applicable requirements of Section 409A, and the Company, in its sole discretion and without the consent of the Participant, may amend this Agreement (and the provisions of the Plan applicable thereto) if and to the extent that the Company determines necessary or appropriate to comply with applicable requirements of Section 409A.

(b) If and to the extent required to comply with Section 409A:

(i) Payments or delivery of Shares (or, if applicable, consideration in respect of Acquirer RSUs) or cash in respect of the Participant's Cash Account under this Agreement may not be made earlier than (u) the Participant's "separation from service", (v) the date the Participant becomes "disabled", (w) the Participant's death, (x) a "specified time (or pursuant to a fixed schedule)" specified in this Agreement at the date of the deferral of such compensation or (y) a "change in the ownership or effective control" of the corporation, or in the "ownership of a substantial portion of the assets" of the corporation;

(ii) The time or schedule for any payment of the deferred compensation may not be accelerated, except to the extent provided in applicable Treasury Regulations or other applicable guidance issued by the Internal Revenue Service; and

(iii) If the Participant is a "specified employee", a distribution on account of a "separation from service" may not be made before the date which is six (6) months after the date of the Participant's "separation from service" (or, if earlier, the date of the Participant's death).

For purposes of the foregoing, the terms in quotations shall have the same meanings as those terms have for purposes of Section 409A, and the limitations set forth herein shall be applied in such manner (and only to the extent) as shall be necessary to comply with any requirements of Section 409A that are applicable to this Agreement.

(c) Notwithstanding the foregoing, the Company does not make any representation to the Participant that any consideration awarded pursuant to this Agreement is exempt from, or satisfies, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Participant or any beneficiary for any tax, additional tax, interest or penalties that the Participant or any beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof, or any other action taken with respect thereto, that either is consented to by the Participant or that the Company reasonably believes should not result in a violation of Section 409A, is deemed to violate any of the requirements of Section 409A.

21. Unfunded Agreement. The rights of the Participant under this Agreement with respect to the Company's obligation to distribute Shares corresponding to vested PRSUs (or, if applicable, consideration corresponding to Acquirer RSUs) and the value of the Participant's vested Cash Account, if any, shall be unfunded and shall not be greater than the rights of an unsecured general creditor of the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Grant Date.

WORLD FUEL SERVICES CORPORATION

By: _______________

Name: ______________________

Title: ______________________________________

PARTICIPANT

Signature: ____________

Name: ____________________________

SCHEDULE A

Subject to the terms and conditions set forth in this Agreement (of which this Schedule constitutes a part), the Participant will be eligible to earn a number of Shares that is between 0% and 200% of the target number of PRSUs set forth in Section 1 of this Agreement, such number of earned PRSUs shall be determined as set forth in this Schedule.

The Measurement Period is the three-year period that begins on January 1, 20[●] and ends on December 31, 20[●].

The Performance Goal is based on the following performance criterion:

"***CAGR in EPS***" means the compound average annual rate of growth in cumulative EPS.

"***EPS***" means earnings per share.

Achievement of the Performance Goal is measured based on cumulative EPS at the end of the three-year Measurement Period at the levels set forth in the table below.

CAGR in EPS for the Measurement Period

	Less than [●]%	At least [●]% but less than [●]%	At least [●]% but less than [●]%	At least [●]% but less than [●]%	[●]% or more
Earned PRSUs	0% of target PRSUs	25% of target PRSUs	100% of target PRSUs	150% of target PRSUs	200% of target PRSUs

The Company shall apply linear interpolation if the performance criterion achieved is between the levels specified in the table above.

Exhibit 21.1

SUBSIDIARIES OF REGISTRANT

Entity Name	Jurisdiction
Advance Petroleum, LLC	Florida
AHT Services, LLC	Nevada
Air Petro Corp.	California
Alta Fuels, LLC	Colorado
Alta Transportation, LLC	Colorado
Altitude Ventures Holding Inc.	Delaware
Amelia Holding AB	Sweden
ANY-G B.V.	Netherlands
ANY-G Services B.V.	Netherlands
Ascent Aviation Group, Inc.	New York
Associated Petroleum Products, Inc.	Washington
AVCARD Holding Company (BVI) Ltd.	British Virgin Islands
AVCARD Services (BVI), Ltd.	British Virgin Islands
Avinode, Inc.	Delaware
Avinode Aktiebolag	Sweden
Avinode Shared Services AB	Sweden
Baseops International, Inc.	Texas
Bergen Energi AB	Sweden
Bergen Energi ApS	Denmark
Bergen Energi Deutschland GmbH	Germany
Bergen Energi France SarL	France
Bergen Energi Green Services AS	Norway
Bergen Energi Markets AS	Norway
Bergen Energi Nederland B.V.	Netherlands
Bergen Energi Spot AS	Norway
Casa Petro, S.R.L.	Costa Rica
Chrome Club, Inc.	Minnesota
Colt International, L.L.C.	Texas
Colt International das Américas Serviços de Aviação Ltda.	Brazil
Colt International Europe SARL	Switzerland
Colt Risk Management Services, LLC	Texas
Combustibles Aereos Nacionales, S. de R.L. de C.V. *	Mexico
Ecuacentair Cia. Ltda.	Ecuador
Falmouth Oil Services Limited *	United Kingdom
Falmouth Petroleum Limited	United Kingdom
Gib Oil (UK) Limited	United Kingdom
Gib Oil Limited	Gibraltar
Hellenic Aviation Fuel Company S.A.	Greece
Henty Oil Limited	United Kingdom
Henty Shipping Services Limited	United Kingdom
IRC Oil Technics, Inc.*	Delaware
JCP Brazil, LLC	Texas
K T M, Inc.	Colorado
Kinect Energy AS	Norway
Kinect Energy Denmark A/S	Denmark
Kinect Energy Hungary Kft	Hungary
Kinect Energy, Inc.	Florida
Kinect Energy UK Limited	United Kingdom
Kropp Holdings, Inc.	Maryland
LFO Holdings Limited	United Kingdom

Exhibit 21.1

SUBSIDIARIES OF REGISTRANT (CONTINUED)

Entity Name	Jurisdiction
Linton Fuel Oils Limited	United Kingdom
MH Aviation Services (Pty) Ltd	South Africa
MS Europe B.V.	Netherlands
Multi Service Aero B.V.	Netherlands
Multi Service Comercio, S. de R.L. de C.V.	Mexico
Multi Service Holding B.V.	Netherlands
Multi Service Pre Paid Solutions B.V.	Netherlands
Multi Service Private Label B.V.	Netherlands
Multi Service PTY Limited	Australia
Multi Service Technology Solutions, Inc.	Florida
Nordic Camp Supply ApS	Denmark
Nordic Camp Supply B.V.	Netherlands
Norenergi A/S	Denmark
Norse Bunkers AS	Norway
Oil Shipping (Bunkering) B.V.	Netherlands
Oil Shipping Korea Limited	Korea
PAPCO, Inc.	Virginia
PAX Distribution, LLC	Washington
PayNode AB	Sweden
Petro Air, Corp.	Puerto Rico
Petroleum Transport Solutions, LLC	Minnesota
PetroServicios de Costa Rica, S.R.L.	Costa Rica
PT Oil Shipping Trans Indonesia	Indonesia
PT Servicios De Guatemala, Limitada	Guatemala
Redline Oil Services Limited	United Kingdom
Resource Recovery of America, Inc.*	Florida
Schedaero AB	Sweden
Schedaero, Inc.	Delaware
Servicios Auxiliares de México, S. de R.L. de C.V.	Mexico
Servicios WFSE Ecuador C.L.	Ecuador
Spire Flight Solutions (Ireland) Limited	Ireland
Tamlyn Shipping Limited *	United Kingdom
Tank and Marine Engineering Limited	United Kingdom
The Hiller Group Incorporated	Florida
The Lubricant Company Limited	United Kingdom
TM Hawkins Brazil, LLC	Texas
Tobras Distribuidora de Combustíveis Ltda.	Brazil
Tramp Group Limited *	United Kingdom
Tramp Holdings Limited *	United Kingdom
Tramp Oil & Marine (Argentina) S.R.L.	Argentina
Tramp Oil & Marine (Chile), Limitada	Chile
Tramp Oil & Marine (Romania) SRL	Romania
Tramp Oil & Marine Limited *	United Kingdom
Tramp Oil (Brasil) Ltda.	Brazil
Tramp Oil Germany GmbH	Germany
Tramp Oil Participações Ltda.	Brazil
Tramp Oil Schiffahrts-und Handelsgesellschaft mbH & Co.	Germany
Trans-Tec International S.R.L.	Costa Rica
Trans-Tec Mundial Acquisition Company, Limitada	Costa Rica
U.S. Energy Engineering, Inc.	Minnesota

Exhibit 21.1

SUBSIDIARIES OF REGISTRANT (CONTINUED)

Entity Name	Jurisdiction
U.S. Energy Services, Inc.	Minnesota
Western Aviation Products LLC *	Minnesota
Western Petroleum Company	Minnesota
WF Lubricants S.L.	Spain
WFL (UK) Limited	United Kingdom
WFL (UK) II Limited	United Kingdom
WFL Mozambique, Lda	Mozambique
WFS & J Company Limited	Japan
WFS Agencia de Naves, Limitada	Chile
WFS Commercial Consulting (Shanghai) Co., Ltd.	Shanghai, People's Republic of China
WFS Danish Holding Company I ApS *	Denmark
WFS Danish Holding Company I ApS - Norway Branch	Norway
WFS Danish Holding Partnership K/S	Denmark
WFS UK Holding Company II Limited	United Kingdom
WFS UK Holding Company III Limited	United Kingdom
WFS UK Holding Partnership II LP	United Kingdom
WFS UK Holding Partnership III LP	United Kingdom
WFS UK Holding Partnership LP	United Kingdom
WFS US Holding Company I LLC	Delaware
WFS US Holding Company II LLC	Florida
WFS US Holding Company III LLC	Florida
WFS US Holding Company IV, LLC	Florida
WFS US Holding Company V, LLC	Florida
WFS US Holding Company VI, LLC	Florida
WFS US Holding Company VII, LLC	Florida
World Fuel Capital Limited	United Kingdom
World Fuel Cayman Holding Company I	Cayman Islands
World Fuel Cayman Holding Company III	Cayman Islands
World Fuel Cayman Holding Company IV *	Cayman Islands
World Fuel Cayman Holding Company V *	Cayman Islands
World Fuel CX, LLC	Kansas
World Fuel Gas and Power Limited	United Kingdom
World Fuel International S.R.L.	Costa Rica
World Fuel Services (Australia) Pty Ltd	Australia
World Fuel Services (Bahamas) LLC	Bahamas
World Fuel Services (Costa Rica) Limitada *	Costa Rica
World Fuel Services (Denmark) ApS	Denmark
World Fuel Services (KG) Limited Liability Company	Kyrgyzstan
World Fuel Services (Malaysia) Sdn. Bhd.	Malaysia
World Fuel Services (New Zealand) Limited	New Zealand
World Fuel Services (Panama) Limited Liability Company Sociedad de Responsabilidad Limitada *	Panama
World Fuel Services (Singapore) Pte Ltd	Singapore
World Fuel Services (South Africa) (Pty) Ltd	South Africa
World Fuel Services Argentina S.R.L.	Argentina
World Fuel Services Aviation Limited	United Kingdom
World Fuel Services Belgium BVBA	Belgium
World Fuel Services Canada, ULC	Canada
World Fuel Services Chile, Limitada	Chile
World Fuel Services Company, LLC	Florida

Exhibit 21.1

SUBSIDIARIES OF REGISTRANT (CONTINUED)

Entity Name	Jurisdiction
World Fuel Services Company, LLC - Honduras Branch	Honduras
World Fuel Services Corporate Aviation Support Services, Inc.	Delaware
World Fuel Services CZ s.r.o.	Czech Republic
World Fuel Services Europe, Ltd.	United Kingdom
World Fuel Services European Holding Company I, Ltd.	United Kingdom
World Fuel Services Finance Company II S.à.r.L.	Luxembourg
World Fuel Services Finance Company S.à.r.L.	Luxembourg
World Fuel Services France SAS	France
World Fuel Services International (Panama) LLC	Panama
World Fuel Services Italy S.r.L.	Italy
World Fuel Services Japan G.K.	Japan
World Fuel Services Kenya Limited	Kenya
World Fuel Services México, S. de R.L. de C.V.	Mexico
World Fuel Services Pakistan (Pvt.) Limited	Pakistan
World Fuel Services Peru S.R.L.	Peru
World Fuel Services Private Limited	India
World Fuel Services Trading DMCC	United Arab Emirates
World Fuel Services Turkey Petrol Urunleri Dagitim Ve Ticaret Limited Sirketi	Turkey
World Fuel Services, Inc.	Texas
World Fuel Singapore Holding Company I Pte Ltd	Singapore
World Fuel Singapore Holding Company II Pte Ltd	Singapore
Yacht Fuel Services Limited	United Kingdom

*These entities are inactive.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-212927, No. 333-161099, No. 333-144379, No. 333-130528 and No. 333-68276) of World Fuel Services Corporation of our report dated February 17, 2017 relating to the consolidated financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Miami, Florida
February 17, 2017

Exhibit 31.1

Certification of the Chief Executive Officer
Pursuant to
Rule 13a-14(a) or 15d — 14(a)

I, Michael J. Kasbar, certify that:

1. I have reviewed this Annual Report on Form 10-K of World Fuel Services Corporation for the period ended December 31, 2016;
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 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 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 17, 2017

/s/ Michael J. Kasbar

Michael J. Kasbar
Chairman, President and Chief Executive Officer

Exhibit 31.2

Certification of the Chief Financial Officer
Pursuant to
Rule 13a-14(a) or 15d — 14(a)

I, Ira M. Birns, certify that:

1. I have reviewed this Annual Report on Form 10-K of World Fuel Services Corporation for the period ended December 31, 2016;

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 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 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 17, 2017

/s/ Ira M. Birns

Ira M. Birns
Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification of Chief Executive Officer and Chief Financial Officer
under Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. § 1350)

We, Michael J. Kasbar, the Chairman and Chief Executive Officer of World Fuel Services Corporation (the “Company”), and Ira M. Birns, the Executive Vice President and Chief Financial Officer of the Company, certify for the purposes of Section 1350 of Chapter 63 of Title 18 of the United States Code that, to the best of our knowledge,

i. the Annual Report on Form 10-K of the Company for the period ended December 31, 2016 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

ii. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 17, 2017

/s/ Michael J. Kasbar
Michael J. Kasbar
Chairman, President and Chief Executive Officer

/s/ Ira M. Birns
Ira M. Birns
Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).